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Cuba

Alarcon Stresses Importance of Assessment Assemblies

FL0109193793 Havana Radio Rebelde Network in Spanish 1700 GMT 1 Sep 93

[Text] The first assessment process of the seventh mandate [as heard] will begin over the next few days with more than 28,000 meetings by voters. In a news conference, Ricardo Alarcon de Quesada, president of the National Assembly of the People's Government, explained the significance and characteristics of these assemblies. Alarcon also said that these meetings will be held through October in order ensure ample participation by provincial delegates and deputies in conjunction with district delegates; in general, to better prepare the assemblies.

[Begin Alarcon recording] What we wish to accomplish—and we are sure we will accomplish this—is for these assemblies to be another chance to perfect the work of the people's government organizations. In addition to the linking of the deputies and delegates with the people, which these assemblies should facilitate, we also aspire to continue a study of the strategic path, of active participation of the people in the solution to the problems, and of exercising the people's government.

We are convinced that you too must have (?experience) and evidence of how the initiative of the organized and mobilized masses, who form part of our society and are led by delegates in the neighborhoods and provinces, and how these efforts can be channeled to obtain important results in the midst of all the difficulties we are going through today. [end recording]

SRV Premier, Construction Minister on Cooperation

PA0109172693 Havana Radio Havana Cuba in Spanish 0000 GMT 30 Aug 93

[Text] Vietnamese Prime Minister Vo Van Kiet expressed his satisfaction with prospects for cooperation with Cuba on projects vital to developing his country's infrastructure. Vo Van Kiet made these statements in Hanoi when receiving Cuban Construction Minister Homero Crabb. The Vietnamese prime minister told Crabb that he admired the Caribbean island's experience and prestige in bridge and road construction, which he said Vietnam needs to implement as promptly as possible.

Homero Crabb told PRENSA LATINA that Cuba will help Vietnam in the construction sector to offset the trade balance between both countries. Hanoi supplies 100,000 tons of rice to Cuba every year.

Program Discusses Current Educational Statistics

FL0109164193

[Editorial Report] Havana Cuba Vision Network in Spanish at 0100 GMT on 1 September carries the "Open Agenda" program with Host Antonio Resillez. Guests on the program are Migdalia Bernal, a teacher, and Luis Abreu, secretary general of the National Education, Science, and Sports Workers Union. Resillez begins by pointing out that on 1 September, 2,400,000 students will begin the 93-94 school year of which 315,000 are in preschool; 980,000 in elementary school; 739,000 in mid-level schools; 60,000 in specialized education centers; 110,000 in adult education centers; and 200,000 in higher education centers.

Abreu notes that on 1 September they will have 215,000 teachers. This figure is broken down as follows: 87,000 in mid-level education; 72,000 in elementary schools; 20,000 in pre-school centers; 11,000 special education centers; 7,800 in adult education centers; and approximately 15,000 university professors.

Abreu goes on to say that Cuba has 1,160 day care centers; 8,800 elementary schools of which 6,500 are in rural areas; 1,600 mid-level education centers of which 950 are secondary education schools and 250 secondary education schools in rural areas; 296 pre-university centers most of which are in rural areas; 378 polytechnical schools of which 153 are agricultural-livestock polytechnical schools; and 58 higher education centers.

Bernal points out that students are supporting donations of supplies so children will have supplies during the school year. She notes that the most important thing are the teachers, who can teach despite the lack of supplies.

Bernal concludes by referring to Fidel's remarks on the importance of preserving the achievements of the Revolution; one of which is education.

Bermuda

Premier Expected To Call Elections Within 2 Weeks

FL0109211093 Bridgetown CANA in English 1817 GMT 1 Sep 93

[Text] Hamilton, Bermuda, Sept 1, CANA—Premier Sir John Swan has further fueled speculation about an imminent election by sending a personal letter to Bermuda's 34,000 registered voters. In the two-page letter, dated last Monday, and written on Sir John's personal stationery, the premier urged voters to back him on challenges facing the island.

Sir John is widely expected to call an election within the next two weeks. His United Bermuda Party last Sunday launched TV and radio advertising, using the slogan, "The Future Depends on it," strengthening rumours of an imminent election. Issues addressed by Sir John in the letter include: the threatened closure of Bermuda's

U.S. Naval Air Station, the recession, education, the island's drug problem, and discrimination.

On the future of the naval base, Sir John writes that his recent meetings with U.S. President Bill Clinton and British Prime Minister John Major went "beyond politics, and speak directly to the responsibility you have entrusted me with as premier." He added: "My job was to utilise the significant international contacts I have been fortunate enough to establish on your behalf in the best interest of Bermuda. Whatever the Americans decide, we are ready and able to protect Bermuda's economic interests and minimise any disruptions." The base also serves as Bermuda's civil airport with the Navy providing air traffic control.

On the economic front, Sir John says Bermudians can take pride in emerging from the recession "in far better shape than any other country I know of," but cannot be complacent. He said that the U.S. \$40 million-dollar prison being constructed in Bermuda's West End is proof of government's commitment to solving the drug problem. The new prison is designed to rehabilitate, and "we hope to make a last resort, not the first, particularly in dealing with our youth," he reported. Education reforms would help "every child become a productive citizen," Sir John said.

In future, he told registered voters, "no effort will be as central as taking the next steps in guaranteeing full, fair, and equal opportunity for every Bermudian. We will not tolerate discrimination in any form. "Where voluntary co-operation is not forthcoming, we will put strong teeth into our commitment to make Bermuda a worldwide mode for achieving unlimited opportunity for all."

Meanwhile, opposition leader Frederick Wade has pledged that a Progressive Labour Party will bring industrial peace to Bermuda. In a statement prepared to mark next Monday's Labour Day holiday, Wade said: "A PLP government will renew its commitment to labour, and pledge to bridge the present gap between labour and management, and to bring about harmonious relations for the betterment of Bermuda as a whole." Wade, Bermuda Industrial Union President Ottiwell Simmons, and other PLP MP's and candidates are scheduled to speak at a public rally Thursday night to kick off the holiday weekend.

Bermuda last went to the polls in February 1989 and the ruling United Bermuda Party has won all of the seven previous elections held since party politics were introduced in 1968. Under the parliamentary election act 1978, the premier is required to give 18 days notice of an election. But he could delay the call until May 24, 1994 when the legislature would be automatically dissolved under the constitution, having sat for five years following a general election.

Dominica

Consumption Tax Increased To Offset Revenue Loss

FL0109211293 Bridgetown CANA in English 1823 GMT 1 Sep 93

[Text] Roseau, Dominica, Sept 1, CANA—Dominica on Wednesday introduced a 5-percent consumption tax increase. The increase had been announced recently by Prime Minister Dame Eugenia Charles, in her 1993/94 budget address.

On Wednesday, the government also moved to reduce the Caribbean Community's Common External Tariff (CET). According to financial secretary in the Ministry of Finance, Gilbert Williams, an increase in consumption tax from 20 to 25 percent is meant to offset loss of revenue anticipated to result from the implementing of the reduced CET. The lowering of the tariff in this fiscal year is expected to cause Dominica a loss of EC4.7 million dollars (one East Caribbean dollar = 37 U.S. cents).

Manufacturers here are complaining about the regional tariff reduction which they feel will impact negatively on locally and regionally produced goods. Dominica Association of Industry and Commerce official Michael Astaphan has warned that the Caribbean Community and Organisation of Eastern Caribbean States goods will now face greater price competition.

Grenada

Statutory Body Heads Leave Over Political Differences

FL0109214793 Bridgetown CANA in English 1849 GMT 1 Sep 93

[Text] St. George's, Grenada, Sept 1, CANA—Two top managers in two of Grenada's statutory bodies are leaving their jobs over differences with the political administration. Director of tourism at the Grenada Board of Tourism (GBT) Jude Bernard, has resigned to take up a similar post in the Turks and Caicos Islands after differences with Tourism Minister Tillman Thomas. At the Grenada Electricity Company (Grenlec), manager Gregory Bowen has gone on six months leave with no guarantees that he will resume the job.

Bernard had been featured prominently in local newspapers over what was seen here as political intervention in the GBT. "We have lost a good man. He knew where the industry was heading and he wanted to be there to shape the industry here. It's a pity to see a good Grenadian leave for those reasons," a senior member of the GBT told CANA.

Board chairman Richard Cherman and three other members resigned from the GBT earlier this year after a conflict with Thomas, who took over the portfolio from

Joan Purcell following a cabinet reshuffle. At Grenlec, Bowen had been accused by government officials as being an operative of the opposition New National Party (NNP) of former communications and works minister Dr. Keith Mitchell.

Both Bowen and Mitchell, however, have denied the charge accusing the government of "witch hunting. I believe it will be better for all concerned if I do not return, although I do not know that the door to returning will still be open," Bowen told CANA.

Haiti

Prime Minister Malval Returns to Port-au-Prince

FL0109150893 Port-au-Prince Radio Metropole in French 1045 GMT 1 Sep 93

[Text] The new Haitian prime minister has returned to the country, following his installation on 30 August by President-in-exile Aristide. Robert Malval arrived during the afternoon of 31 August at the Port-au-Prince airport. He was accompanied by his wife and several members of his cabinet. Prime Minister Malval refrained from commenting to the press. He traveled by jeep, under military protection, to the National Palace. He then went to his private residence in Delmas. Prime Minister Malval is due to install his government on 2 September at the National Palace. It is more and more certain that Villa D'Accueil Accord will be followed by the government.

Presidential Commission Ceremony Completes Mandate

FL0109232993 Port-au-Prince Radio Metropole in French 1045 GMT 1 Sep 93

[Text] The presidential commission has officially terminated its activities. Founded for the purpose of initiating political dialogue in Port-au-Prince in order to end the crisis, this commission, led by Father Antoine Adrien, did not have an easy task in fulfilling this mission. In announcing its termination 31 August, the commission made no assessment, but observed with satisfaction the ratification of a new prime minister, this time chosen by President Aristide. Edner Jean filed a report on the closing session on the commission's works:

[Begin recording] [Jean] Formed on 14 July 1992 following the Floride meeting of various political partners who had supported the election of President Aristide, the presidential commission had as its principal mission to initiate constructive dialogue among the various sectors of the country concerned with the crisis.

Fifteen months later, the commission led by Father Adrien submitted its assessment. It is necessary to realize that the commission did not meet its targeted objective. The commission met some major obstacles. Father

Antoine Adrien especially noted the absence of speakers capable of providing authoritative responses to proposals; the Army hiding behind Marc Bazin's government; and repression violence that discouraged sincere people.

The presidential commission has to its credit, however, the publication of a government concord program and the New York meeting between Father Antoine Adrien and Francois Benoit, the Marc Bazin government's Minister of Foreign Affairs. Let us recall that these parties emerged from this meeting back-to-back, a real dialogue of the deaf.

It was then that the international community, invigorated by Bill Clinton's election, began to provide a new impulse to the negotiations. Regarding this, Father Antoine Adrien recalled the adoption of the oil embargo at the beginning of June and the blockade of the prevailing authorities' banking operations, those who had tolled the knell, as he put it. This was followed by Governors Island, the New York Pact, the meeting in Miami, the normalization of parliament and finally, the ratification of the prime minister. To repeat the expression of the coordinator [Adrien], the crisis then melted like butter under the sun and with it, the presidential commission, of course.

According to Father Adrien, in removing their aprons, the representatives of the presidential commission refrained from hailing victory because the situation is still fragile.

[Adrien] The presidential commission has no further purpose for existence. President Aristide has his constitutional representative in the country, his prime minister now. Are we going to rejoice for mission accomplished? We have too much of a sense of the fragility of the current situation. We have simply done, to a certain extent, what we could do.

It is not just the courage and patriotism of the members of the commission that I am pleased to hail today, but also, and especially, that of the Haitian people, who never gave up and accepted the unacceptable, as well as our friends from the international community with its decisive support. If there is an assessment to be made this evening, it is not for us to say whether it is positive or negative.

[Jean] By ending their mandate on 31 August, the members of the presidential commission committed themselves to watching over the Robert Malval government. Besides the lavalas movement's big names, the new ministers were also present for this ceremony. Also observed was the presence of several diplomatic corps representatives, including those from France and Canada. Also to be pointed out was the well observed presence of Dante Caputo. He even spoke, hailing the courage of the Haitian people. He was followed by Canadian Ambassador Bernard Dussault and the French Embassy charge d'affaires. [end recording]

Party Leaders Comment on Constitutional Reform

PA0109172093 Mexico City XEQ Canal 9 Television Network in Spanish 0200 GMT 31 Aug 93

[From the "Plenty of News" newscast; live relay by Mexico City XHTV Television Network]

[Text] Carlos Castillo Peraza, president of the National Action Party [PAN] commented on the delay in reforming Article 82 of the Constitution. Castillo Peraza said it is necessary to reform Article 82.

[Begin Castillo Peraza recording] Article 82 as currently worded is obsolete. It is an outdated, discriminatory law; it is a law for a weak country. [end recording]

Castillo Peraza expressed optimism that a consensus will be reached regarding Article 82 and that it will be reworded.

[Begin Castillo Peraza recording] I believe this consensus will be reached and that Article 82 will be properly revised. [end recording]

But the PAN leader said that the important changes are contingent not only upon one article but on the entire constitutional reform process currently under way.

Porfirio Munoz Ledo, president of the Party of the Democratic Revolution [PRD], spoke in favor of a national referendum regarding the reform of Article 82.

[Begin Munoz Ledo recording] On 29 August I expressed my strong support for a referendum, that is, for a national vote on this topic. [end recording]

Munoz Ledo said this measure is advisable because opinions are divided.

[Begin Munoz Ledo recording] Perhaps because this reform has a very strong historical background, it is like a part of the free trade agreement negotiation. People do not like the idea of reforming Article 82. They do not like it because they have experienced a denationalization process in the past few years and have strong misgivings about it. Consequently, the reform has to be explained and its effects determined. We should discuss the reform of Article 82 so it will not be the result of a political payoff by the government to a party or a group of people, but the fruit of a true national debate. [end recording]

Munoz Ledo said on behalf of his party:

[Begin Munoz Ledo recording] We have already made our decision. It depends on the entire electoral reform package. We would have no objection if this package guaranteed universal suffrage to Mexicans and if the right to vote were granted to Mexicans overseas as we requested. But if the right to vote is not guaranteed and if it is not granted to Mexicans overseas, then we will not support this reform and will request a national referendum. [end recording]

Indalecio Sayago Herrera, secretary general of the Popular Socialist Party [PPS], stated that his party does not believe Article 82 should be revised because it would be a risk for Mexico's sovereignty. Interviewed at PPS headquarters, Sayago Herrera said:

[Begin Sayago Herrera recording] The PPS definitely opposes reforming Article 82. What would happen if the Mexican-born son of a U.S. citizen became our president? It would be absurd; we would lose both our independence and our sovereignty. [end recording]

Sayago Herrera urged all parties to prevent Article 82's revision.

El Salvador

President Cristiani Holds News Conference

PA0209043693 San Salvador Radio El Salvador
Network in Spanish 1720 GMT 30 Aug 93

[Weekly news conference by President Alfredo Cristiani with unidentified moderator and foreign and domestic reporters at the Presidential Palace in San Salvador—live]

[Excerpts] [passage omitted] [Moderator] A question from Antonio Alvarado from TCS Television news.

[Alvarado] Good morning Mr. President. Last week we witnessed a demonstration at the Presidential Palace by former combatants and land holders, after which there was a meeting. We would like to know what the government's position is regarding the meeting. What was discussed? What agreements were reached? We have only heard what the Farabundo Marti National Liberation Front [FMLN] has said. We would like to know how the issue will be handled and if there will be any changes in the land distribution plan?

[Cristiani] They came here with several petitions including several issues not listed in the peace agreements. They are asking for new things. We cannot accept such a situation at this stage. I mean, at the same time the FMLN continues to obstruct the process by withholding the list of names of the plan's beneficiaries and handing in incorrect lists when they do present them, they are now trying to introduce new elements into the land distribution process, which are not part of the agreement. This cannot be. They are including land holders, who were not included in the verification process carried out by the special Copaz [National Commission for the Consolidation of Peace] committee. We asked them for a list of names and they present people who were never checked by the Copaz committee, which means they are not beneficiary land holders. They are also pressing for reforms such as setting the eligible age at 16 for the time of the land transfer, when the law and the agreement is clearly states that the age is 16 by February 1992, which leaves the new birthday people out of the agreement.

This is in addition to the FMLN's attempts to accuse the government of delaying the process when it has been the FMLN who has been incapable of organizing and structuring itself, thus creating certain problems such as specific groups issuing duplicate name lists. We believe that it is time to publish the names of the beneficiaries to allow them to deal with the problem directly. We have run into several problems while working with what they call high-level commissions assigned to deal with the issue. The commissions continue to ask for new things and they never give the proper information. They were scheduled to hand in all the names by 31 July and they still have not. Many of the names they have presented are of new people who were never cleared by the Copaz commissions. So, there are problems that need solving.

We presented an operational plan to the UN Observers for El Salvador [Onusal] to organize the land transfer process but working in directly with the beneficiaries. We are now waiting for Onusal to tell us if the plan meets all the requirements of the October 1992 agreement regarding the land transfer plan, which was approved by the FMLN and the government. We are not going to include new elements or additional petitions from the FMLN. [passage omitted]

[Moderator] Mario Madrid, from Radio Cadena Cuscatlan.

[Madrid] Good morning Mr. President. My question is related to the first statements made by my colleagues. A Honduran Armed Forces chief mentioned a few days ago that there were rearmed groups in the pockets inside Honduran territory. The FMLN rejected the statements. I would like to know, Mr. President, if there is any truth in the Honduran military leader's statements about the existence of these rearmed FMLN groups in the pockets?

[Cristiani] We received some information in a Honduran Army intelligence report that said they had detected armed groups in the area of Nahuaterique, north of Morazan, and that these were in fact armed groups. This is an area that is now under Honduran jurisdiction. We can affirm that there is an armed group north of Morazan. That group has been detected and its presence has been confirmed. They wear uniforms and bandanas and so on. Incidentally, there was one that read FMLN on one side and on the other FAES [Salvadoran Armed Forces], which is rather ridiculous. It is possible that these groups are moving into Honduras; this could be possible. We agreed, however, that our intelligence services would collaborate in trying to determine the precise situation; whether they come from El Salvador; whether they are people who were left on the Honduran side of the border following the International Court of Justice ruling; or if perhaps there has been some sort of weapons transfer. Everything is being followed up in a joint effort. We have agreed to exchange any information we collect regarding armed groups in northern Morazan or in the south of the bordering Honduran department, the name of which I do not recall.

[Madrid] Yes, but, Mr. President, according to your investigations, why have these groups appeared? As our colleague has said, and following up on his question....

[Cristiani, interrupting] Regarding Morazan, there seems to be plenty of dissatisfaction with the FMLN leaders. They are even having serious trouble with the Segundo Montes [not further identified] issue, which is more an internal matter that is creating problems. We are trying to find a solution for that now. In that group's case it seems to be dissatisfaction with the leaders regarding reintegration into civilian life or things they were promised and did not see in the peace agreements and such.

[Madrid] Could this jeopardize the country's stability again?

[Cristiani] No, because these are not groups that could cause national instability or insecurity. These are bands of criminals that will be fought as such.

[Madrid] When will action be taken against these groups, Mr. President?

[Cristiani] I repeat. These groups must first be looked into by the intelligence community. We are not going to announce when we are going to move against them because they would know the very next day, if not before. [laughter] They will find out after the operation is completed. [passage omitted]

FMLN: Delays Endanger Stability

PA0109182993 San Salvador EL MUNDO in Spanish
27 Aug 93 p 2

[Text] Guerrilla leaders have said not finding a solution for the problem of land transfers to former combatants of the Farabundo Marti National Liberation Front, FMLN, and former soldiers endangers the country's stability. Joaquin Villalobos said government accusations blaming the FMLN for the delay in the transfer of land are false. "They are politicizing the subject for electoral purposes and that is why land transfers are not being done," he said.

FMLN leader Salvador Sanchez Ceren [real name of former guerrilla commander Leonel Gonzalez] said the situation of the former combatants is precarious and therefore a prompt solution should be found. Villalobos and Sanchez both took part yesterday in a march designed to pressure the government into expediting the transfer of land offered to former FMLN guerrillas and former members of the armed forces in the peace agreements.

Villalobos said the situation is worrisome, not just for the FMLN but for the entire country, as the discontent caused by the delay in delivery of the land "could create serious problems." Villalobos added that recent incidents in Nicaragua should be a warning of what could happen in El Salvador if a solution to the land problem is not found.

The march began at the Civic Plaza and ended at the Presidential Palace, where government officials received an FMLN delegation to discuss the problem.

Ex-Fighters Benefits Program Noted

PA0209033393 San Salvador EL DIARIO DE HOY in Spanish 27 Aug 93 p 59

[Excerpt] The Government of El Salvador reports:

The Salvadoran Government and the leadership of the Farabundo Marti National Liberation Front [FMLN] have negotiated, based on the peace agreements they have signed, to produce a benefits program for former

fighters. Both sides agreed that the program would be implemented in two phases and the program was designed keeping this in mind.

During the first phase, the one that immediately followed the demobilization of the former fighters, the programs that offered certain comfort to beneficiaries as they shifted to civilian life were launched. These programs called for the delivery of housewares and agricultural equipment to all the former fighters. In addition, agricultural credits were granted to the first demobilized contingent. Likewise, technical programs were initiated to definitely reincorporate the former rebels into productive life. These were business and agricultural training programs.

Due to their own nature and the way they were conceived, the initial phase programs became prerequisites to the programs to be implemented during the midterm phase. It is during this phase that the bases are being set for the programs for sustained economic and social development. The reinsertion program for former FMLN fighters, due to its philosophy, offers beneficiaries a broad reinsertion opportunity in line with the beneficiaries' wish to join civilian life in a productive fashion.

During the year the program has been in effect, the government has disbursed 210,350,000 colones, or 33 percent of the total allotment of the program, which runs five years. This means that a great effort has been made not only by the government but also by the nongovernment organizations and international agencies directly implementing the program. If we add to all of this, that the launching of each program represents planning and evaluation efforts, approval for each project must be sought, there are difficulties in securing the necessary information about the beneficiaries, and requirements by cooperating sources must be met, it becomes evident that the government has the firm political will to facilitate reinserting the former FMLN fighters and to consolidate the national peace and reconciliation process.

The government is reporting this so that the Salvadoran people know how the reinsertion program is truly progressing; contrary to what has been said by the FMLN, the government is also reporting that it, together with the institutions implementing the program, have been working quickly, efficiently, effectively, and, especially, with good will on this process. [passage omitted]

Legality of U.S. Troop Presence Studied

PA0109144593 San Salvador DIARIO LATINO in Spanish 27 Aug 93 p 7

[Text] Our duty is to see to it that the Constitution is followed but not to judge if what is being done is good or bad; therefore, the writ of unconstitutionality presented by Salvador Nelson Garcia Cordova will be studied in order to determine its legality, Supreme Court President Mauricio Gutierrez Castro has said.

Garcia recently filed a writ of unconstitutionality against the presence of U.S. troops in our country before the Constitutional Court. When asked his opinion, Gutierrez Castro said any Salvadoran citizen has a right to file a writ of unconstitutionality, adding that Garcia's request will be studied to decide if it is valid.

If it meets the conditions, it will be accepted for a hearing and legal procedures will be followed. The Supreme Court of Justice will give its opinion and final decision after hearing arguments from the attorney general and Legislative Assembly.

Sometimes, after studying situations that seem unconstitutional, it is decided that they are not, or vice versa. We are not called to determine if an action is good or bad; perhaps what they are doing is very good, in other words, the work they are performing may be good. Nonetheless, it is our duty to defend one of our highest values, which is our Constitution. In that sense, applicable procedures will be followed, and in due time we will announce the decision in accordance with the Constitution, Gutierrez Castro concluded.

Guatemala

CSJ President Calls for Leadership Dialogue

PA0109173193 Guatemala City Teleonce Television in Spanish 0400 GMT 31 Aug 93

[From the "Telepress" newscast]

[Text] Supreme Court of Justice [CSJ] President Juan Jose Rodil Peralta has reported there are presumably plans to assassinate him. Rodil's report occurs at a time when his resignation and that of the other nine CSJ magistrates has been requested as part of the process to purge national branches of government. Rodil said he sent his family abroad after receiving warnings that he might be the target of an attack.

[Begin Rodil recording] A few days ago you were kind enough to report some of my statements. I exercised my right to freely state my thoughts. I said I thought certain economic groups are using the purge as a pretext to cover up essential problems in the country concerning the extreme poverty in which our people live; people's demands for land; the low salaries, hunger, and housing problems.

We have systematically received threatening calls since that day, both at my house and at the different places I often visit. I have been told I have no reason to meddle by pointing out the country's social problems. I have been told to shut up or else something can happen to my children, to be frank, I thought Guatemala had left all this behind, and I have been compelled to send my children abroad.

I think it is deplorable that while some people talk about a purge and other issues, others anonymously resort to the execrable crime of issuing threats, particularly

against innocent people. Nevertheless, last night I was visited by a reliable diplomatic representative, who prefers to remain anonymous. I was told a powerful economic group is preparing a plan to assassinate me either on Tuesday, Wednesday, or Thursday. The plan is to blame the president of the republic for the crime.

I want to state that I will let no false prophets of democracy use my corpse because they only want to end democracy and destroy the country's institutions. I was Ramiro de Leon Carpio's fellow student at the university for four years, and, until shortly before he became president of the Republic, we periodically met to review our work plans. I am absolutely certain the president of the republic would never resort to this type of violent crime, so those who are trying to murder me are the same shady characters. They have been unable to achieve power through elections so they are trying to achieve it in a different way.

Obviously, the various government organizations have differences over how the purge should be conducted. I am very sad to say I thought Guatemala had overcome these episodes. [end recording]

Rodil Peralta insisted that the presidents of the three branches of government should meet to reach conciliatory stands on the issue of the purge.

[Begin Rodil recording] I think that the president of the republic has good intentions in calling for a purge. Nonetheless, I think we must be careful [three-second break in reception] dressed in sheep's clothing, who are infiltrating the various institutions, will lead us to confrontation, to a social explosion in Guatemala that could be irreversible.

This is why I am making this public statement today. I want to clearly point out that I think the president would never use these methods, and therefore I think someone is trying to create a confrontation between state institutions, to create anarchy and disorder in order to seize power.

Therefore, I urge the president of the republic and the president of congress that we meet as soon as possible and establish a dialogue of conciliation, and not of confrontation, which will allow us to unify our criteria on how this purge and reorganization of the state bodies, which we all agree is needed, should be conducted.

The CSJ has worked hard in these last few days, and we have very clear ideas on this branch's self-purge. If our constitutional independence is respected, we are also willing to accept the interdependency of the state bodies and to discuss with the president of the republic, the president of the congress, the human rights ombudsman, and the president of the court of constitutionality the criteria we have with regard to what could be done as part of the self-purge. [end recording]

Reaction to Reform Bid

PA0109144893 Mexico City NOTIMEX in Spanish
2307 GMT 30 Aug 93

[Text] Guatemala City, 30 Aug (NOTIMEX)—The chiefs of the executive, legislative, and judicial branches have said Guatemala has become a political powder keg and is en route to social upheaval. President Ramiro de Leon Carpio, parliamentary leader Fernando Lobo, and judicial branch president Juan Jose Rodil Peralta—currently in confrontation—have said that state power is in crisis as a result of actions by previous authoritarian governments.

When questioned by NOTIMEX, de Leon Carpio noted the need to defend, love, and consolidate democracy in order to avoid tragedies and confrontations. He said: "I neither fear nor have misgivings that power will go to my head.... My feet are on the ground. My only fear is that during my time as president, I will not make the proper state decisions to improve the nation's situation." The president, who last week demanded the resignation of the 116 congressional deputies and nine Supreme Court justices, said that his main concern is fighting poverty and purging institutions "drowning in corruption."

Poverty in Guatemala has increased over the past few years. In 1980, 63 percent of households were living in poverty; last year this figure rose to 80 percent, according to the National Statistics Institute. In this country, where 102 of every 1,000 children born alive die of diarrhea, respiratory infections, or malnutrition, state institutions charged with improving the standard of living have been locked in a political war for the past week.

De Leon Carpio said that the human rights ombudsman's "formula," of which he was a part until June when he assumed Guatemala's presidency, will be the figure that will help solve the nation's problems. "What worries me most is being a president without a political party in a country where violence, poverty, and the fiscal deficit abound," he added. De Leon Carpio said that the Guatemalan treasury is bankrupt after ousted President Jorge Serrano Elias had begun 1993 with a \$1.513 billion budget, 21 percent higher than fiscal year 1992.

In this nation of 108,000 km, with 6 million Indians, a 49 percent illiteracy rate—the highest in Latin America—and with poor health levels, politicians are engrossed in an unprecedented struggle.

The president added: "We want a nation that is more just, that enjoys greater solidarity, and that has a higher standard of living. Our sole commitment is to Guatemala."

Juan Jose Rodil, president of the Supreme Court of Justice, rejected that the attitude assumed by the president is "to settle accounts." "Guatemala needs a purge. Judicial reform must be urgently conducted to overcome corruption, impunity, disorder, anarchy, and the ungovernability of the country," said Rodil, who is accused by diverse sectors of covering up corruption. The president

of the judicial branch admitted that the justice system is lagging way behind. This is because previous authoritarian governments allowed the existence of a "justice facade" to legalize their violations. Rodil acknowledged in a recent interview with NOTIMEX that during the "smaller-scale democratic opportunities, structural reform of the judicial branch has not been carried out due to faults, corruption, and death threats against the justices, among others." Rodil pointed out that in Guatemala—a nation that has lived endured eras of dictatorship and that has a culture of violence—it is impossible to apply "magic or miraculous formulas" from one day to the next. Thorough reform is needed to fight impunity. Nevertheless, Rodil promised during his 1991-1997 administration, to attack incompetence, administrative disorder, and corruption to end impunity.

Rodil said that Guatemala is a "political powder keg" on the verge of social upheaval. He confirmed that a black campaign is being waged, aimed at discrediting him as president of the Judicial Branch.

Fernando Lobo Dubon, leader of the national parliament, said that it should be the deputies who should decide to purge their own institution. He rejected the executive branch's interference in legislative matters. With regard to the deadline fixed by de Leon Carpio that expires this afternoon, Lobo said: "We are willing to carry out a self-purge. But we must be thoroughly briefed on the president's proposal." Lobo labelled the president's attitude as "neofascist." But both he and Rodil declined to say if they would be willing to support a move to have de Leon Carpio disqualified. De Leon Carpio came to power on 6 June with Congress' support.

Costa Rican Role in Integration Welcomed

PA0109182793 Guatemala City EL SIGLO in Spanish
28 Aug 93 p 6

[Text] Foreign Relations Minister Arturo Fajardo Maldonado has reported that the Guatemalan Foreign Ministry voiced its satisfaction at Costa Rica's accession to the Protocol to the General Treaty on Central American Economic Integration, as announced by President Rafael Calderon Fournier.

Fajardo added that during a news conference in San Jose, Calderon Fournier said that "the bases of the Protocol are the same ones agreed upon at the beginning and ratified by the new government of Guatemala." Foreign Minister Fajardo noted that this confirms the contents of his conversations with Costa Rican authorities held a few days ago to the effect that Costa Rica will also sign the Protocol at the summit scheduled for October in Guatemala.

In this manner, all of the states will participate in the integration, which is what President de Leon Carpio has wanted since the beginning of his term. The foreign minister explained that the Protocol to the General Treaty on Central American Economic Integration will

allow sustained economic progress for the region's countries, renewing current bases in free trade.

Costa Rica's willingness to sign this legal instrument was announced when the Salvadoran and Honduran presidents met with President Calderon Fournier on 25 August.

Honduras

'Controversial' Copyright Law Approved

PA0209004693 Tegucigapa EL HERALDO in Spanish
27 Aug 93 p 2

[Text] Five days before the deadline set by the U.S. Government, the National Congress approved the controversial copyright law yesterday. Among other things, the law establishes fines ranging between 5,000 and 100,000 lempiras for the natural person or legal entity that violates its provisions.

The U.S. Administration warned its Honduran counterpart that if the law was not approved by 31 August, Honduras would have to stop exporting approximately \$100 million in products through the Caribbean Basin Initiative and the Generalized Preference System. Furthermore, the U.S. Administration demanded the law be approved according to U.S. interests. Apparently, the United States obtained its objective because many of the law's articles were reformed.

The controversial copyright law has 168 articles and was sent to Congress by Economy Ministry authorities. When it was discussed in the third and last debate, however, 10 new articles were approved, and an equal number were eliminated. The draft contained several articles that violated the Constitution of the Republic and were eliminated or reformed in the final law.

U.S. Government representatives assume the law's approval will end the piracy of films, records, and books, and others. It is believed that several domestic sectors will also benefit from this initiative.

Fines To Be Increased

Gustavo Alfaro, Liberal deputy for Francisco Morazan Department, introduced a new article that stipulates fines ranging from 5,000 to 100,000 lempiras to those who, intentionally and without consent, violate the copyright law. The Judgment Commission, of which Alfaro is a member, decided violators would pay between 500 lempiras and 5,000 lempiras, whereas the bill sent by the Economy Ministry established a minimum fine of 5,000 lempiras and a maximum fine of 100,000 lempiras. The reduction in fines provoked a reaction from U.S. Embassy officials and they finally achieved their goal of having the fines restored to the original amounts.

Alfaro also submitted a new article that stipulates that films and videos for cinemas, television, video clubs, and cable television rights will pay a 10-percent tax instead of

the 35-percent tax currently in effect. Alfaro, one of the deputies who most actively participated in the controversial decree's approval, believes the tax reduction will benefit people who use cinema, television, and video club services. Moreover, Congress Vice President Roberto Alonso Matute included a new article so that copyright law violators are also punished with the sentences specified in Article 251 of the Penal Code, ranging from one to five years in prison.

The U.S. Government imposed its will in the end because the deputies approved the copyright law, thus fulfilling all of the U.S. demands. It was learned yesterday that U.S. Embassy members demanded that intellectual copyrights of artists, performers, and musicians, concerning the sale or broadcast of their performances, should have a 50-year duration, effective at the end of the year, in which the above mentioned work was recorded and distributed. Nevertheless, Congress established a 30-year duration, according to Article 114, but it is not strange that a reconsideration motion is reportedly aimed at pleasing Bill Clinton's administration.

The law will become effective 20 days after its publication in the official newspaper LA GACETA, based on a motion from Marco Augusto Hernandez Espinoza, acting legislative branch president. Deputies will participate in a session on 30 August, either to ratify the document for the copyright law's definite approval or to begin the third debate of the industrial copyright law, which is another demand from the U.S. Government.

It was learned that Congress will ratify the intellectual copyright law and industrial copyright law on 31 August, thus complying with the United States' demands. The intellectual copyright law and the industrial copyright law were merged into a single legal instrument in countries such as El Salvador, but they were divided in Honduras.

The United States has exerted a lot of pressure on many countries, including Honduras, El Salvador, Brazil, and the Dominican Republic, so their respective congresses and legislative assemblies approve the copyright law, given that "piracy" represents millions of dollars in losses for various enterprises.

Commander Reacts to Call for Reductions

PA0109173993 Tegucigapa LA TRIBUNA in Spanish
31 Aug 93 p 9

[Text] General Luis Alonso Discua Elvir, Honduran Armed Forces commander in chief, affirmed yesterday that he is not worried when presidential candidates talk about reducing the size of his institution; the military is willing to discuss these matters.

General Discua, participating in the commemoration of the 150th anniversary of the foundation of the city of Santa Rosa de Copan, said: "We must wait for the candidates to be in the presidency to discuss those issues. We are willing to exchange these types of ideas; we are

conscious of the situation. Honduras is free, sovereign, and independent, and every nation deserves to have what it wants," he noted.

Meanwhile, Discua said that "the Armed Forces will see that elections are held where all Hondurans may cast their votes so that the regular transition of presidential power continues. In this way we will continue benefiting from a climate of peace and tranquility. This is a critical year for us, one in which all Hondurans are duty-bound to cast their votes to elect the candidate who meets their expectations. I hope the elections take place as planned by the National Electoral Tribunal," he noted. To conclude he said that the Armed Forces are standing by to assist wherever necessary. This is particularly true of weather-related problems.

Another goal of the armed institution is to prevent deforestation. "Deforestation cause the rivers to overflow, landslides, floods, and several other catastrophes. The Armed Forces, however, has been working to improve conditions and has planted many trees to contribute to the improvement of our environment," he concluded.

Nicaragua

Group Takes Hostages, Clashes With Army in San Ramon

PA0109184793 Managua Radio Corporacion in Spanish 1030 GMT 1 Sep 93

[From the "The Awakening" newscast]

[Text] This is a last-minute report: We have just returned from San Ramon Municipality, 10 km northeast of Matagalpa. It all began yesterday when a group of 30 heavily-armed individuals led by Ramon Herrera, also known as Elias, kidnapped a brigade from the Construction and Transportation Ministry. They later stopped about 15 vehicles and kidnapped the departmental attorney general.

We went to the scene of the events in (Yucul) at 1700 to speak with the armed groups. We were surprised to see that the groups had freed some people. They told us they were going to go to San Ramon. We went to San Ramon to inform the police chief of the demands of this group of 30 men, which was approaching the town in buses and trucks with a large number of hostages. The police were quite inflexible. They refused to hand over one of the brothers named Ramon Herrera. [sentence as heard]

A commission, that included San Ramon Mayor Nelson Artola, the parish priest, and I, was later appointed. We tried every means to find a solution because we knew that the Army was going to conduct an operation in the area where the group of 30 men were located. The commission worked intensely, talking with the armed groups, the police chief, Matagalpa Police Chief Roger Ramirez, and Major Alberto Molinares, chief of the

military region. The commission also spoke with Monsignor Leopoldo Jose Brenes, bishop of Matagalpa Diocese.

The commission did not want any bloodshed because the San Ramon festivities were taking place. About 2,000 people were participating in the festivities, and the commission did not want a confrontation. Unfortunately, the unexpected occurred. The clash began at approximately 0100, when about 400 Sandinist People's Army [EPS] troops arrived in 15 [word indistinct] trucks and [word indistinct] vehicles. They practically surrounded San Ramon and began to attack with heavy artillery, submachine guns, and RPG-7 rockets, killing four members of the armed groups. Three of the dead have been identified as Trinidad Zamora, Julio Blandon, and Cristian Tercero. We were able to film the action because we were at the scene. We know there was another death but have been unable to obtain his name. We just returned from the Cesar Amador Bonilla regional hospital, where the following are receiving medical attention: Anastasio Gonzalez Hernandez, 25, who has wounds all over his body; Jose Alberto Gonzalez, 27; Maria Eusebia Castro Navarrette, 18; and Justo Gonzalez, 47, who is in serious condition.

San Ramon was occupied by the armed groups from 2000 to 0100, when the Army began to attack. The armed groups fled in disarray. The total number of dead and wounded is still unknown because many people fled. These armed groups had been holding approximately 70 people hostage, including the departmental attorney general.

EPS, Police Pursue Group

PA0109195893 Managua Radio Sandino in Spanish 1843 GMT 1 Sep 93

[Excerpt] [four-second break in reception] the Government Ministry and Sandinist People's Army [EPS] have given different reports on the incident that occurred in San Ramon, Matagalpa very early today, when a group of armed criminals kidnapped Matagalpa Attorney General Pedro Joaquin Solis.

The EPS said it intended to free Solis by exchanging him for Mamerto Herrera, the brother of the man leading the armed group. Herrera is in prison convicted of [word indistinct].

The Government Ministry reported that the one-hour clash between the criminals and EPS troops resulted in the death of three people, including one of the criminals, who was identified as Eliciano Herrera. The EPS reported that two people, including a civilian, were killed, five people were injured, and a civilian named Trinidad de Jesus Espinales was kidnapped by the rearmed group.

A joint EPS and National Police force is pursuing the group, which fled following the clash. [passage omitted covered by previously filed material]

Presidency Minister on National Dialogue

PA0209035793 Managua Radio Nicaragua Network in Spanish 1100 GMT 28 Aug 93

[Interview with Presidency Minister Antonio Lacayo Oyanguren by unidentified reporter; place and date not given; from "The Morning" newscast; first two paragraphs are announcer's introduction—recorded]

[Text] In evaluating the recent incidents that unfolded in Nicaragua and caused apprehension among the population, Presidency Minister Antonio Lacayo Oyanguren stated that the important point now is that all political and social sectors must give evidence of their willingness to enter into a dialogue. He added that what is also important is for each of them to ask if they are now willing to talk to the government.

Likewise, Presidency Minister Lacayo Oyanguren stated that the government is willing to talk or enter a dialogue and immediately reach a national agreement that will once and for all end all differences that has currently divided all Nicaraguans.

[Lacayo] The important point is that now we must all be clear about our disposition to enter a dialogue. The government, as well as the other groups present here today on occasion of this health seminar, the FSLN [Sandinist National Liberation Front], and the UNO [National Opposition Union], must show the Nicaraguan people whether we are willing to enter a dialogue or not. As a government we are in favor of a dialogue. As stated in the agreements, we believe there is a need for an immediate national agreement and every obstacle in the road toward this objective must be set aside. We believe that if we all participate in talks with an open mind, what would have seemed as a long-term task, merely one week ago, can now be solved in a matter of weeks. The truth is that with the few weeks of legislative sessions remaining, if we expect to implement significant laws, such as constitutional reforms, military legislation, and other decisions calling for national assembly debates, it is important for us to take advantage of the months of September, October, November, and December to legally implement whatever decisions are required. That is why it is important to get this national political understanding moving immediately.

[Reporter] Recent polls have shown that most Nicaraguans are not interested in Nicaragua's political aspect but in the country's overwhelming economic and social problems, such as those taking place in the Atlantic coastal region. Aid to this region was interrupted because of the kidnappings. Then, without trying to sound negative, what is the use of encouraging legislation like you mentioned if there is no capital to support the population? In this respect, what are the economic perspectives?

[Lacayo] That is precisely why we stated that it is important to achieve greater consensus in our country. We are clear in that consensus brings about stability,

which in turn results in economic recovery. All of this is tied together and that is why the government has been struggling these past months to accomplish an agreement at the negotiating table. Unfortunately, to date this has not been possible. Nevertheless, we believe the painful experience the country experienced this week should prompt us to understand the need to quickly start a dialogue, clearly define the problems plaguing our country, understand the people's aspiration for a better standard of living, employment, and solutions to their problems. If we can do this swiftly, it will be better for all of us because we will then be able to stop violence. On the contrary, violence will feed on the poverty plaguing our people, on the lack of agreement, and will completely overwhelm all of us. This is something we Nicaraguans cannot allow.

[Reporter] Minister Lacayo, [words indistinct] as a democratic government, what explanations will be given to the international commission with respect to U.S. aid?

[Lacayo] The international commission? We are not going to give explanations to any commission.

[Reporter] Specifically, to the United States in order for this country to release frozen aid to Nicaragua?

[Lacayo] In this case, what we have to do is clearly give evidence that this government, far from promoting international terrorism as was stated by some U.S. senators, that this administration is committed to the contrary. In other words, this government is committed to dismantling any vestige of terrorism that may exist in our country, uncovering any remaining weapons caches, sharing all information with friendly nations, the United Nations, including Onusal [UN Observers to El Salvador], which has frequently come from El Salvador to observe the process, Interpol, and every country that is interested.

During the past days police specialists from Spain, Venezuela, El Salvador, the United States, and other countries interested in finding out what has been taking place have been working in Nicaragua. We have given evidence of our disposition to share all information with them in order for the government's conduct in this type of situation to be totally clear.

[Reporter] The FSLN proposed an agenda during its last national congress, and the UNO has its own agenda. Are these two agendas incompatible or can they be combined into a single agenda which could be the beginning of a dialogue? In addition, what is currently taking place in El Salvador? What is [words indistinct]?

[Lacayo] When there is willingness to start a dialogue, an agenda is no problem. When there is no willingness, the agenda becomes a sacred cow that prevents any sort of dialogue. We understand that if there currently is willingness to solve the country's problems, then an agenda can be prepared in a few minutes. The agenda we were able to prepare on 21 August was done rapidly. We were able to agree on the need to release the hostages in a

matter of minutes. This means that when there is disposition, agendas are made as events unfold.

Sandinist Assembly Resolution on Situation, Talks

*PA0109171293 Managua BARRICADA in Spanish
29 Aug 93 p 10*

[Resolution issued by the Sandinist Assembly in El Crucero on 28 August]

[Text] On 28 August, the Sandinist Assembly, chaired by the Sandinist National Liberation Front [FSLN] National Directorate, met during a special session to honor the Heroic Day of Pensacan, after analyzing the recent incidents that took place in the country, its perspectives, and after discussing the bases for a National Salvation Agreement, resolves:

1. To embrace the support initiatives for the national understanding effort expressed by Community of Donor nations assembled in Paris, as well as the support offered for a Tripartite Dialogue by the European Economic Community, the Group of Northern Nations, Spain, and the Central American presidents as a result of the kidnappings in Quilali and Managua.
2. To support the creation of that Group of Friends of the Dialogue Process for the success of the same and the fulfillment of the Agreements.
3. To ratify the proposal for an open agenda without any set conditions approved in its 21 August special session.
4. To demand that the government not adopt any new economic measures that would worsen the production recession with its growing aftermath of unemployment, poverty, and hunger.
5. To summon the FSLN's department and municipal organizations to promote the FSLN's rank and file and the debate on the nation's problems as well as the need to encourage a National Salvation Agreement. At the same time, the Opposition National Unity's rank and file and all organized sectors of the nation should be summoned to join efforts toward this goal.
6. To approve as a base for the negotiations, the FSLN proposal for a National Solution to the Crisis of 17 April and the policy for Constitutional reforms to be approved in the coming Sandinist Assembly.
7. To give its support to the National Directorate to implement the initiatives that are the outcome of the tripartite agreements made in the early hours of 21 August, and to the Sandinist Assembly Resolution of the same date.
8. We will continue in permanent session to follow up and ratify the agreements reached in the negotiating process of the National Salvation Agreement.

[Issued in] El Crucero, 28 August 1993.

Cardinal Previews Dialogue Goals

*PA0109145593 Managua Radio Corporacion in Spanish
2200 GMT 31 Aug 93*

[From the "Five O'Clock Sharp" newscast]

[Text] At 1030 the Central American foreign ministers met with His Eminence Cardinal Miguel Obando y Bravo to exchange points of view on the nation's problems. Here is what His Eminence told reporters at the conclusion of the meeting:

[Begin recording] [Obando y Bravo] You already know what my position is; I have always reiterated it. I recommended to the command at Quilali, after we mediated in the mountains of [word indistinct], that we will not solve problems in Nicaragua with weapons. We want to bury the culture of death, through [word indistinct], through the dialogue, and [words indistinct]. We know that one party is asking first for a dialogue with the government, with Dona Violeta. [Words indistinct] to hold simultaneously, the government's conversation with the National Opposition Union [UNO], and subsequently the Tripartite Commission meeting.

[Unidentified reporter] If UNO does not attend the national dialogue meeting called for today by President Chamorro, would she decide to delay it?

[Obando] I believe that Dona Violeta is an intelligent person; she is looking out for everyone's interests. She will most probably hold a prior meeting with UNO. I am just supposing that this will take place prior to the tripartite meeting among the government, the UNO, and the FSLN.

[Reporter] [Words indistinct]

[Obando] I believe that [words indistinct] as this is a personnel with a great deal of political experience and that the presence of the foreign ministers here in Nicaragua [words indistinct]. I believe their presence can help us as the positions are very polarized. In my opinion the presence of the foreign ministers in Nicaragua can be very positive.

[Reporter] What will happen if the national dialogue fails?

[Obando] [Words indistinct] the dialogue to fail. We Nicaraguans have lived through the war that has left many thousands dead, many young men disabled, and economy in ruins. Our current economic situation is not very promising. If the dialogue should fail, it is [words indistinct] there will be more violence, and more bloodshed.

[Reporter] [Words indistinct] national dialogue?

[Obando] Let us leave that for the politicians, [words indistinct] already starting. I would leave this to the politicians who have a great deal of experience in these matters. Thank you very much.

Panama

Linares Admits Fate of U.S. Bases Unknown

PA0109215593 Panama City *EL PANAMA AMERICA*
in Spanish 26 Aug 93 p 12A

[Report by Eduardo Soto P.]

[Text] Yesterday, Panamanian Foreign Minister Julio Linares admitted that his country does not have a study on what to do with the U.S. military bases, which will be left empty after the year 2000.

At the opening of an event sponsored by the Technological University in which the "Panamanian Strategy on the Reversion Process and Canal Administration" is being debated, Foreign Minister Linares reiterated that Panama will not take the first step to negotiate a treaty on the bases without first knowing what is economically best for the country. The U.S. Army injects more than \$270 million annually in Panama through salaries, direct purchases, and general expenditures by the soldiers.

According to the foreign minister, the Interoceanic Region Authority must take the necessary steps to create confidence in the system regarding the good use of assets that are reverting to Panama. He said that certain groups' insistence in negotiating a treaty on the bases stems from the lack of confidence in the government following the administrative disorder that led to the deterioration of the first assets that have reverted to Panama since 1979.

Linares said that the more Panamanians insist in negotiating the permanence of the United States in the canal bases, the more the value of those assets will go down and less economic benefits will be obtained from them.

Interoceanic Region Authority Chooses Administrator

PA0109144393 Panama City *LA ESTRELLA DE PANAMA* in Spanish 31 Aug 93 p 1

[Report by Carmen Elida Contreras]

[Text] On 30 August, the Interoceanic Region Authority (ARI) board of directors announced the appointment of Panamanian entrepreneur Juan Blau as the new general administrator of that body. Carlos Mendoza, president of the ARI, said in a news conference in the presence of Comptroller General Ruben Dario Carles that after conducting "rigorous examinations" the members of the board of directors chose Blau to administer the institution.

According to Mendoza, Blau was born in Panama over 50 years ago and studied in a university in Massachusetts. His entrepreneurial career has taken him to West Africa, Chile, Ecuador, Peru, Argentina, and Guatemala. He was general manager of Texaco in Panama before it was sold to Panama Refinery.

ARI's board of directors studied at least 120 applications, including some from prominent businessmen and top government officials. During the news conference, Blau spoke about the importance of the institution, which is charged with determining the use of property already or scheduled for reversion. He described the task as his "biggest challenge."

Blau said the reversion of this "national patrimony" will help decrease unemployment as well as increase investments and the country's productivity.

Last week the Cabinet Council approved a loan for ARI of up to \$2.5 million, payable in three years, to cover operating expenses for the rest of the year.

Argentina

Defense Minister on Need for Skyhawk Radar

PY2808022293 Buenos Aires NOTICIAS

ARGENTINAS in Spanish 1952 GMT 27 Aug 93

[Text] Buenos Aires, 27 Aug (NA)—Defense Minister Oscar Camilion said today that we "will insist on seeking a solution to the Air Force's interests" regarding the U.S. decision to sell 36 Skyhawk combat airplanes without high-technology radars.

"The Air Force will not buy airplanes that do not interest it, although the decision on closing the deal is not made by the Foreign or Defense Ministry, which are the ones that must say whether they are useful or not," the minister said.

Camilion said these planes "have an accessible price" and that if "Argentina wants to purchase planes with the most advanced technology under the current international market conditions, it would place the country in a financial compromise it could not honor."

He also acknowledged the possibility that Argentina might buy radars for the Skyhawk combat planes "outside the United States."

He said: "Those radars are essential for training in these aircraft. The radar has a determined quality and it has a development level that is not precisely the same one offered to us by the U.S. Government."

"This kind of radar is not necessary to make the planes fly, but is necessary to carry out training operations required for modern pilots," the defense minister said.

Camilion recognized that the ideal thing would be to buy them "in the same country" because "the operation becomes more complicated" if parts are bought somewhere else.

The minister made these statements as he left Presidential Palace, when he said that charges against the UN peace forces of exploiting the misery in Sarajevo through drug trafficking and black market trade are "very serious."

"Something must be going on, without doubt," Camilion said as he ruled out that Argentine troops may be "at all" involved in the charges made by a British newspaper, given that "this is taking place in Bosnia and our troops are in Croatia."

Regarding the financing of the troops with the UN peace forces in the conflict region, he admitted that the United Nations "is slow in paying but it pays."

"As a matter of fact, we must finance them because the UN member countries are behind in their contributions for the peace forces," he said. He said the peace forces this year spent nearly \$3 billion "while contributions to the United Nations only amounted to half that figure, therefore the delay in payment affects us."

Regarding the Malvinas Islands situation, Camilion said: "There is nothing new" and "the last decision made is to extend the committee's term two months. But no new declaration has been made in our countries."

As for the Armed Forces budget, Camilion said: "This is being discussed" with the Economy Ministry. He said that we discuss things "with Domingo Cavallo in a rational, serious, and friendly manner."

Brazil

* Flores, Amorim Urge Nuclear Accord Approval

93SM0407A Sao Paulo GAZETA MERCANTIL in Portuguese 12 Aug 93 p 6

[Article by Maria Helena Tachinardi: "Flores and Celso Amorim Urge Quick Approval of Nuclear Accord"]

[Text] Brasilia—At its meeting next Tuesday morning, the Chamber of Deputies College of Leaders is to decide on the procedure that will be followed in voting on the four-party agreement between the Governments of Brazil and Argentina, the International Atomic Energy Agency (IAEA), and the Brazilian-Argentine Agency for Accounting and Control of Nuclear Materials (ABACC).

The agreement, which was signed in Vienna in December 1991 by then President Fernando Collor, has been encountering resistance particularly on the part of the members of the Chamber of Deputies National Defense Committee. At a meeting yesterday that was attended by Admiral Mario Cesar Flores, head of the Strategic Affairs Secretariat (SAE), acting Minister of Foreign Affairs Celso Amorim, diplomats, and members of the nuclear community, there was another dispute over the comprehensive nuclear safeguards to which Brazil will submit and the so-called subsidiary arrangements that will formalize operation of the agreement.

At the meeting by the National Defense Committee, Flores promised to send the deputies a letter explaining what the subsidiary arrangements involve. The deputies are afraid to ratify the agreement without knowing what commitments the government is going to make later. Both Amorim and Flores reiterated that the agreement states that technological secrets will be protected.

Flores explained that Brazil would negotiate the arrangements on the basis of such things as the strengthening of the ABACC's role, the Brazilian understanding that the safeguards will not involve monitoring by the IAEA while the project is being carried out but only in its initial and final stages, and the principle that the use of nuclear material must not be excluded from the system of safeguards.

The government is concerned and united. It became clear at yesterday's meeting by the National Defense Committee that the military ministries and the Ministry of Foreign Affairs take the same position: that failure to ratify the agreement will make it difficult for Brazil to

buy certain kinds of technology. "The agreement can open a few doors and enable us to join in the game. Whether we win will depend on our negotiating ability," Amorim commented after pointing out that countries such as Japan, Canada, and Australia have signed safeguard agreements with the IAEA. Negotiation of the subsidiary arrangements between Japan and the agency took six years. Brazil has held only one meeting to negotiate the arrangements and will hold another in September, but the government does not know how long the talks will last, and for that reason it would like for Congress to expedite ratification of the agreement so that "we can send a good message abroad as part of our policy of instilling confidence in the international community," a diplomatic source pointed out.

The Argentine Government has already approved the four-party agreement by decree-law. In Brazil, the matter has aroused emotions in Congress. Deputy Joao Fagundes (PMDB [Brazilian Democratic Movement Party], Roraima), commented: "It is a unilateral inspection with benefits for those who come to inspect us. The further along we are with research, the more bargaining power we will have." Flores said the agreement would allow only the inspection of material entering and leaving the country, thus preventing the shipment of radioactive material. He also announced that Brazil was in the process of building one small reactor and preparing another one "for peaceful purposes."

Waldir Pires (PSDB [Brazilian Social Democracy Party], Bahia) insisted that Congress must evaluate and be thoroughly familiar with the subsidiary arrangements. Marcelo Barbieri (PMDB, Sao Paulo), emphasized: "The agreement is not a problem, but the arrangements will determine the *modus operandi*, and that is what counts."

The leader of the PDT [Democratic Labor Party], Luiz Salomao (Rio de Janeiro), suggested that the vote be taken by the full Chamber within one or two weeks and that the National Defense Committee and Foreign Relations Committee establish a list of points to be observed in negotiating the subsidiary arrangements, examples being the protection of technological information and a strengthening of the ABACC's role in implementing the four-party agreement.

Adm. Flores emphasized: "We will not abandon national sovereignty, but delaying ratification of this agreement *sine die* will certainly be interpreted as reflecting Brazilian unwillingness to adhere to rules for the regulation of trade and international cooperation in the field of nuclear energy, thus placing Brazil in a position closer to that of countries, which are regarded as unreliable and which are currently outside the mainstream of the international community, with disastrous effects on the well-being of their peoples."

A source in the Ministry of Foreign Affairs has told this newspaper that cases in which international agreements are not ratified are extremely rare. The most recent were rejected by Congress under special circumstances, and

they were conventions of the International Labor Organization (ILO) that were out of line with the labor rights achieved by Brazil in its new Constitution.

Missiles

Brazil is preparing to accede to the Missile Technology Control Regime (MTCR), an international system for controlling exports of sensitive materials such as missiles and satellites. To that end, the administration submitted a bill to Congress over a year ago that will control exports of that kind of material and technology when it can be used for both civilian and military purposes. Argentina has already acceded to the MTCR. Its formal accession will be announced at the end of this year.

* Economic Team's Timetable To Overcome Crisis Seen

93SM0407B Sao Paulo GAZETA MERCANTIL in Portuguese 12 Aug 93 pp 1, 6

[Article by Claudia Safatle: "Political Timetable for Crisis"]

[Text] Brasilia—August may be the month that decides the fate of the economic team headed by Minister of Finance Fernando Henrique Cardoso and, consequently, Itamar Franco's administration.

"The vote on the provisional measure establishing the new wage policy will be a milestone. If it is passed as written by the administration, we will have scored a goal at the end of the first period," this newspaper was told by Winston Fritsch, secretary of economic policy.

If the administration loses, its loss may be the signal for hyperinflation resulting in unpredictable developments that may, according to Fritsch, be harmful to the presidential succession itself.

"The minister is hemmed in," said another source in the Ministry of Finance, commenting on the way the economic area's room for political maneuver is being narrowed down. Fernando Henrique is scheduled to make a statement on a radio and TV network this coming Friday or Saturday to "explain things clearly"—said the adviser in question—review the two months that the economic program has been in effect, and, if possible, announce the new principles governing the privatization program. He is expected to discuss the fiscal crisis and the results—even though partial—of the touchy negotiations for rolling over the debts owed by the states to the Union. Scheduled for 1200 hours tomorrow is a ceremony for signing a number of rollover protocols (with Mato Grosso, Bahia, Rio de Janeiro, Rio Grande do Sul, and Sergipe). One difficulty is said to be holding up the agreement: the reluctance of the states to make an initial payment.

Fernando Henrique has a timetable for administering the crisis. The debate over wage policy, which has taken

up the past 30 days of the economic team's time, was an accident. A fault in the administration's system of political organization.

The determination of the president of the Republic, Itamar Franco, to replace the president of the Central Bank, Paulo Cesar Ximenes (see the separate article [not included here]), is also not helping the position of the minister of finance, who has been trying to get around the Ximenes situation ever since the printing of the cruzeiro-real and the controversy over the predated check. The fear in the Ministry of Finance is that Planalto Palace will "politicize" management of the Central Bank.

In view of the possibility that inflation will rise to around 33 or 34 percent between August and September, the timetable for the economic area calls first of all for maintaining calm, ensuring real increases in the price of public services, and getting back to the focus of the debate regarding the fiscal crisis. Simultaneously, the minister of finance will begin a face-to-face talk with sectors that are raising their prices too much. It will be a talk between gentlemen in which a number of instruments may be placed on the table, examples being the possibility that the Federal Revenue Office will investigate those sectors and the reestablishment of Sunab [National Supply Superintendency], which would work with the National Secretariat for Economic Defense in investigating and stopping unfair practices.

After August and September—a period that reportedly will also see the implementation of a few important measures included in the Immediate Action Program (new privatization rules and agreement on the rollover of debts owed to the Union, among other measures)—the economic team, having reconquered political space, will reportedly get involved in constitutional revision.

To ensure success in the work of revising the Constitution—from the standpoint of tax reform, the restructuring of social security, administrative and operational reform, and the redistribution of responsibilities between the Union, the states, and the municipalities—an alliance is being formed in the National Congress between the PSDB [Brazilian Social Democracy Party], the PMDB [Brazilian Democratic Movement Party], and part of the PFL [Liberal Front Party]. Three political figures—the PMDB leader, Deputy Generaldo Correia (Bahia); the PFL leader in the Chamber of Deputies, Luiz Eduardo Magalhaes; and Deputy Ibsen Pinheiro (PMDB, Rio Grande do Sul)—are reportedly playing important roles in that reorganization of political forces and sharing with Fernando Henrique the task of winning the 293 votes required for getting the administration's proposed constitutional amendments approved before the 1994 fiscal year.

The timetable worked out by the economic team places the date for bending the inflationary curve in November.

At the very latest, it should happen in January. This is said to depend, however, on the signals given by constitutional revision. If that revision leads to a new form of federalism, the end of job security in civil service, the end of retirement for time in service, a new social security system financed by a value-added tax, and a new tax structure, the danger of hyperinflation will have been avoided.

The feeling of the economic team is that the chance for stabilization will also be lost if the conflict over the distribution of responsibilities that has come to exist within the state is not resolved during revision of the Constitution.

Fritsch fears that if that happens, there may be a more dramatic repetition of what the country experienced when former President Jose Sarney was succeeded by the then president-elect, Fernando Collor de Mello: an explosion of inflation that could jeopardize the presidential succession.

The Ministry of Finance feels that if the major battles between now and the end of the year are won, the conditions will exist for gradually reducing inflation—with the help of a deindexation process that is expected to begin as soon as the falling inflationary curve is consolidated.

Fritsch conceives of deindexation not as an abrupt act, but as the result of a process of managing the exchange rate and of the wage rules, which, if approved by Congress, will promote the start of adjustments for past inflation. The result, in short, of the equally gradual management of the instruments of economic policy.

The economic team's desire is to reach the middle of 1994 with an inflation rate that is below 20 percent and unquestionably following a downward curve so that the presidential candidates will not campaign against inflation, as Collor de Mello did in 1989, thus helping to push inflation up to 84 percent per month.

That is said to be the timetable designed by the Ministry of Finance. Interrupting it with a shock, for example, is an idea that causes the administration's economists to respond immediately: "Before that, we'll grab our hats."

* Firm Privatization Divides Team

93SM0407D Rio de Janeiro O GLOBO in Portuguese
4 Aug 93 p 24

[Article by Leise Taveira: "Possible Privatization of BR Divides Economic Team"]

[Text] Brasilia—The Ministries of Finance and Planning are in disagreement over the privatization of Petrobras Distributing (BR), but they agree that the Rio Doce Valley Company should be sold as a unit, including its subsidiaries. The changes in the privatization rules, which involve an expansion of the program, are to be announced by the administration within the next few days. The Ministry of Finance wants the BR to be

privatized as a unit, but the Ministry of Planning insists that the best solution is to sell shares in the company on the stock exchange while retaining control of the firm. Advisers to Minister Alexis Stepanenko argue that the BR, which has an annual billing of \$6 billion, is profitable and of strategic importance.

According to the advisers, the government will not accept so-called rotten money when it sells the Rio Doce Valley Company. Payment will have to be in hard cash because both the Rio Doce Valley Company and the BR are considered by the economic team to be the "jewels in the crown"—profit-making firms.

"The arguments presented by the Ministry of Finance in favor of selling the BR ignore technical issues. The rule there is to sell the firms as though it were all simply a symbol of privatization for Itamar's administration," says a source in the Ministry of Planning.

And the Rio Doce Valley Company, according to opinion in the Ministry of Planning, is considered a trim and profitable firm, but one that earns little money for the government. According to the figures, the company paid dividends of \$60 million last year, and its net assets total \$6 billion.

Minister of Mines and Energy Paulino Cicero again criticized the Ministry of Finance yesterday for its plans to privatize BR Distributing and subsidiaries of the Rio Doce Valley Company. He said he had agreed with Fernando Henrique Cardoso that the two would make no more comments about reports concerning the privatization of those firms. According to him, announcement of the sale of the Rio Doce Valley Company and the BR will have to be made solely by President Itamar Franco.

He said: "On that subject, I listen only to the president, and he has not said anything to me about it."

* Government To Propose Reducing Ministries

93SM0407C Rio de Janeiro O GLOBO in Portuguese
7 Aug 93 p 24

[Article by Nelson Torreao: "Government May End Up With Only Five Ministries"]

[Text] Brasilia—The economic team wants to take advantage of constitutional revision—scheduled to begin in October—to propose a drastic administrative reform that would reduce the number of ministries from the current 25 (including secretariats with the status of ministries and the Armed Forces General Staff [EMFA]) to only five. The idea is to include that reform in the 1994 budget in order to reduce the estimated deficit of \$31.5 billion shown in the draft budget presented to the party leaders by Minister of Finance Fernando Henrique Cardoso. According to a source in the administration, the reform is being worked out by a technical team headed by economist Edmar Bacha, special adviser to the Ministry of Finance.

The proposal calls for having only the Ministries of Economy, Defense, Justice, Foreign Relations, and Infrastructure. The Ministry of Economy would take over the duties performed by the Ministry of Finance and Seplan [Secretariat of Planning and Coordination of the Presidency of the Republic]. The Ministry of Infrastructure would replace the current Ministries of Transport and Communications and Mines and Energy, and the new Ministry of Defense—the most controversial of all—would be a merger of the Ministries of Army, Navy, and Aeronautics and the EMFA. All the others, such as the Ministries of Health and of Education, would become departments, since the administration feels that activities in those areas must be transferred permanently to the states and municipalities along with their respective revenues.

The administration's proposal would also establish agencies such as the Office of Competition, which would combine agencies that are currently spread among the Ministries of Finance, Justice, and Industry and Commerce, but concern themselves with the same thing: combating monopolies and oligopolies. There would also be a third fate for some ministries: elimination pure and simple. This would include the Ministries of Social Welfare and Regional Development. Other agencies such as the IBGE [Brazilian Institute of Geography and Statistics] would be abolished, and the government would then contract with private institutes to conduct censuses and price studies.

Administrative reform does not require a constitutional amendment, but the team wants to have its proposal debated in connection with revision of the chapter of the Constitution devoted to fiscal affairs. The strategy calls for a combined discussion of the difficulties involved in financing the 1994 budget, reform of the tax system, and the distribution of revenues and responsibilities between the Union, the states, and the municipalities.

"We want to go into the revision with the momentum for discussing administrative reform and the issue of federalism," says our source.

When Jose Sarney left the presidency in 1990, there were no fewer than 23 ministries. In the Collor administration, an administrative reform reduced that number to only 12. One of the principal changes was precisely the establishment of the Ministry of Infrastructure, which the economic team now wants to revive. The difficulty involved in handling that superministry finally led the former administration to split it up once again between the current Ministries of Transport and Communications and Mines and Energy. Ministries such as the Ministry of Social Welfare have been established during Itamar's administration, and the total is up to 20 plus five secretariats with the status of ministries.

Colombia

Colombian-Ecuadoran Integration Agreements Signed

PA0109214893 Santa Fe de Bogota EL TIEMPO in Spanish 25 Aug 93 p 6a

[Text] The seventh meeting of the Bilateral Neighborhood Commissions concluded in Quito 24 August with the signing of seven agreements that will strengthen Colombian-Ecuadoran integration.

The documents commit the two countries in the fields of communications, interborder transportation, electricity, technical cooperation, and telecommunications.

The first agreement calls for the construction of a highway that will link the Ports of Tumaco (Narino Department) and Esmeraldas (Ecuador) and construction of a bridge over the Mataje River. Three border posts will expedite trade after a bridge is built over the San Miguel River in Putumayo Department in late 1994. The third post is the Rumichaca Bridge, over the Guaitara River, which links Ipiales (Narino) and Tulcan (Ecuador).

The commissioners meeting in Quito also agreed to explore the possibilities of generating geothermal electricity at the border area of Chiles-Cerro Negro-Tufino. Private businessmen of both countries may participate in these projects.

A third agreement pertains to the application of provisions in the Esmeraldas agreement on "transit of people, vehicles, vessels, and aircraft," which has been in effect since 1991. It established the rules for transborder ground transportation.

A fourth agreement was a complementary technical cooperation agreement through which the foreign ministries of both countries will exchange experiences and techniques in their efforts to reorganize and modernize the state.

Another agreement calls for incorporating Cauca Department into the Border Integration Zone [Zona de Integracion Fronteriza—ZIF], which until today included the Colombian Departments of Narino and Putumayo and the Ecuadoran Provinces of Esmeraldas, Carchi, Imbabura, Sucumbios, and Napo. This agreement will pave the way for the future aerial interconnection of the airports in Ibarra and Popayan.

Also, Ecuador's Emetel [State-Owned Telecommunications Company] and Telecom [Colombian Telecommunications Enterprise] signed an agreement to establish rates for telegrams, telephone calls, telex, and fax within the ZIF.

Both countries' post offices committed themselves to establish mechanisms to achieve postal integration and to offer their services to the Amazonic area and Pacific coast.

Private Visit Between Gaviria, Castro Reported

PA0109130593 Paris AFP in Spanish 2219 GMT 30 Aug 93

[Text] Santa Fe de Bogota, 30 Aug (AFP)—On 30 August, the private station Radio Cadena Nacional [RCN] revealed that President Cesar Gaviria asked Fidel Castro to hold free elections in Cuba during the latter's recent private visit to Colombia. Castro met with Gaviria in Cartagena, Colombia's Caribbean resort, between 9 and 11 August. According to RCN, the Colombian president also recommended that the Cuban commander change his economic policy and seek a rapprochement with the U.S. Congress and media.

According to Castro, who gave a news conference following his visit to Cartagena, the talks with the Colombian president included topics of bilateral interest and Latin American and international problems. Castro denied he had come to Colombia to ask Gaviria for economic aid and political support. On the contrary, he reaffirmed his determination to maintain the communist system on the island despite prevailing economic difficulties in his country, which Castro has accepted.

The radio station, which based its report on inquiries made by its investigative team, asserted that Castro had asked the Colombian leader to "speak frankly."

"I will start by telling you that you are attempting a rapprochement with President Clinton, but U.S. foreign policy is not made only by the President and his administration. It is also made by that country's Congress and media," Gaviria allegedly told Castro when they began to talk at the Colombian presidential vacation home in Cartagena, the RCN report states.

The Colombian president also told the Cuban leader that if he wanted a change of attitude in the United States, he should start by changing himself and not waiting for President Clinton and his administration to do something.

Gaviria is also reported to have told Castro that Cuba's problem is not the U.S. blockade because if it were lifted, the island would still not get ahead as its most serious problem is its economic system.

"What you must do is make a political opening, allow an opposition media to exist, and call truly free elections, even accepting candidates who are in exile. If you held such an election, it would give your government political legitimacy," Gaviria told Castro, according to the radio station report.

The Cuban commander's private visit to Cartagena not only surprised the Colombian public but also sparked rejection in many political sectors as the Colombian Government suspended diplomatic relations with the island in 1971 due to Castro's support for the then leftist 19 April Movement guerrillas.

Ochoa Disagrees With Venezuela on Border Issues

PA0109173393 Santa Fe de Bogota Inravisión
Television Cadena 1 in Spanish 1730 GMT 31 Aug 93

[From the "National Newscast"]

[Text] The visit by Venezuelan Foreign Minister Fernando Ochoa Antich has concluded with a strong diplomatic clash. Although cooperation agreements were signed between the two countries, it remains clear the border dispute constitutes a major obstacle, and neither side is willing to yield. Here is Ana Fernanda Valderrama.

[Valderrama] Colombian Foreign Minister Noemi Sanin Posada blew up. Defiant remarks by her Venezuelan counterpart during his two-day visit to Colombia prompted Mrs. Sanin Posada to openly outline a stance that made it clearer than ever that the border dispute between Colombia and Venezuela is strong.

[Begin recording] [Sanin] With all the respect and friendship I feel for the foreign minister, I must say I profoundly disagree with his stance on the delimitation of marine and submarine areas.

[Ochoa] The first thing I said was I did not come here to sidestep the issue. I came to speak sincerely and honestly to a brother people. I have said on several occasions I am acting this way because no one, neither in Venezuela or Colombia, can accuse me of acting or making a gesture against Colombia. [end recording]

[Valderrama] What began as a news conference to unveil amicable agreements between the two countries turned into an outright squabble. They discussed boundaries and human rights.

[Begin recording] [Sanin] We do not want immunity; we want prevention. We obviously accept the rule of law. We want the law to prevail, but we do not accept human rights violations. We do not accept torture and abuse.

[Ochoa] We have a position as a state. We said we considered we are exercising a historic right over the Gulf of Venezuela. [end recording]

[Valderrama] The only thing the Venezuelan foreign minister's visit to this country left was a climate of tension. It seems this tension will ease following the elections when the commissions discussing the delimitation of the marine and submarine areas meet again.

Minister Rejects Guerrilla Interest in Peace

PA0109183193 Santa Fe de Bogota Inravisión
Television Cadena 1 in Spanish 0000 GMT 31 Aug 93

[From the "24 Hours Newscast"]

[Text] When it is abroad, the Simon Bolivar Guerrilla Coordinating Board [CGSB] lies and seeks mediators. Here at home it murders policemen. Former Nicaraguan

President Daniel Ortega told the "TV Today" newscast that he met with CGSB members in Havana, land of Fidel Castro. Raul Gutierrez has a report on what they said and what the government minister answered.

[Gutierrez, reading Ortega's remarks shown in on-screen captions] I met recently with members of the CGSB in Havana during the Sao Paulo Forum, and we talked. They said they want a peaceful solution through a dialogue, through negotiations. They are willing to negotiate. [end Ortega captioned remarks]

When Ortega was asked if the CGSB is willing to turn in their weapons and rejoin civilian life, he answered:

[Gutierrez, reading Ortega's remarks shown in on-screen captions] No. I think talking is more important. While one does not sit down with the enemy to converse, it is very difficult to reach a dialogue. One must talk in order to learn what each other's proposals are and seek points of agreement in order to move ahead in the process of negotiations. [end Ortega captioned remarks]

Government Minister Fabio Villegas today answered that it is naive to think that this issue of guerrillas in Colombia is a matter for mediation.

[Begin Villegas recording] There are naive people who think that peace is an option with the CGSB in Colombia. I have many times said that this isn't a problem of mediators. It is not that we do not have anyone to speak for our country or on behalf of our country. The CGSB does not want to attain peace. [end recording]

One example of the CGSB's lack of willingness for peace is the killing of the policemen in Usme, the minister concluded.

Ecuador

* New Finance Minister Outlines Policy Responses

93SM0390A Quito EL COMERCIO in Spanish
25 Jul 93 p A2

[Interview with Finance Minister Cesar Robalino Gonzaga by correspondent Hernan Ramos; place and date not given]

[Text] [Ramos] Why did you agree to return to this cabinet position?

[Robalino Gonzaga] The president asked me to work with him, and I decided that I should do so for the good of the country.

[Ramos] What do you think of the economy of the country?

[Robalino Gonzaga] There are several problems in the Ecuadorian economy, but a basic problem is inflation. The inflation is terrible, and by the end of President

Duran-Ballen's term it will be a good thing for the country to wind up with an annual inflation rate of less than 10 percent.

If we do not succeed in reducing inflation, there will be enormous problems. This is the first priority, not only for the government but for society, for the employees of public and private enterprises, for farmers, and for teachers.

We are going to continue reducing inflation, but it is clear that this will require enormous sacrifices.

[Ramos] You inherited two major problems from your predecessor: the external debt and the lack of an agreement with the IMF. How do you plan to deal with them?

[Robalino Gonzaga] The external debt is a problem that we must resolve. This question involves the banks, which extended the loans and the Ecuadoran Government. It will require a process of mutual concessions. That depends on negotiations.

I am going to resume contact with the Debt Management Committee on the basis of what has been under negotiation. I will try to reach a reasonable and satisfactory agreement to move toward eliminating all of the related problems. These have created difficulties that have not been resolved.

Regarding the IMF, people attach enormous importance to it. Ecuador is a member of the IMF and of other international organizations. This implies accepting obligations and also acquiring rights. However, I cannot deny that something will have to be done with the IMF as one of the country's creditors.

[Ramos] But the influence of the IMF with international, private banks is enormous. Their basic decisions depend, to a large extent, on the view which the Fund takes of a given country.

[Robalino Gonzaga] In many cases the international, private banks are not adequately equipped to follow developments concerning the economic program of a given country. They are not prepared to do this. And, to some extent, the IMF does it for them.

[Ramos] Then, as a matter of fact, one of your goals is to renegotiate the external debt?

[Robalino Gonzaga] Yes, one of my goals is to reach an agreement with the Debt Management Committee and ultimately with the creditor banks, because I believe that this problem must be resolved as soon as possible.

[Ramos] Regarding debt questions, what do you think of the possibility of converting securities related to the Ecuadoran external debt into shareholdings in state-owned companies?

[Robalino Gonzaga] We are going to deal with this aspect and all of the regulations affecting it. I am going to spend some of my time in handling this matter. In any

case I believe that this is a subject which has been politicized. I prefer to analyze the matter in such a way as to avoid arguments and speculation.

And meanwhile, within Ecuador, there is no established view on this subject. But I prefer not to get ahead of myself.

[Ramos] On 26 July, the Monetary Council will meet with you as chairman. Will the resignation of the present manager of the Banco Central be accepted?

[Robalino Gonzaga] Yes. I will preside over the meeting on 26 July. Ana Armijos has resigned as manager of the Banco Central, and we are going to accept her resignation. Then the chairman of the Monetary Council will appoint her a member of the council.

[Ramos] What do you think of the problem which came up in the Monetary Council and the Banco Central last week?

[Robalino Gonzaga] It was unfortunate. I have talked to Ana Lucia Armijos about these matters, but I believe that there will be a special relationship in this "new stage" among those of us who are members of the Monetary Council.

[Ramos] Is Agustin de la Torre the principal candidate to serve as manager of the Banco Central?

[Robalino Gonzaga] Yes, he is the leading candidate.

[Ramos] The export sector is calling for a new devaluation of the sucre. What is your position on this matter?

[Robalino Gonzaga] I am going to meet with the exporters to talk with them and to hear their points of view. However, it must be made clear that the exporters must not become dependent on foreign exchange rates to compensate for inefficiency. To what extent are the various parts of the export sector working to optimize production in order to achieve lower costs?

Inefficiency will not be corrected by changing the rate of exchange. That is not right. The country's productivity must be high, not low. Businessmen cannot ask for everything from the government. The government cannot compensate for inefficiency by devaluation. Business firms must be managed with efficiency and competitiveness in mind.

[Ramos] What do you think of the present balance of payments situation?

[Robalino Gonzaga] There must continue to be a balance. We cannot return to the imbalances of the past. In that sense fiscal policy has a role to play. Monetary policy also has a contribution to make, and not only domestic, financial stability, whose objective is to reduce inflation. The external sector also has a role to play in preventing fiscal disorder. We do not need to have this kind of disorder.

[Ramos] The waves of work stoppages called by the various, sectoral organizations, according to those involved, are due to inadequate resources which, in turn, are not properly allocated by the Ministry of Finance. How will you deal with this problem?

[Robalino Gonzaga] I understand that the various municipalities are making a tremendous effort to increase tax collections. I believe that every municipality should continue to make this effort, reorganizing its budget to obtain more resources within the legal framework available to them.

That does not mean, by any means, that the income which they obtain from the central government is going to be taken away from them.

However, they are going to be making greater efforts. In this connection I recall that, since 1982, there has been a law on the statute books providing for the construction of public works by the private sector. I am going to meet with the minister of public works to talk about that. This is because the private sector is going to be interested in taking advantage of that law, receiving contracts under it, and building highways and bridges.

With the application of this provision of law the practice of asking the Ministry of Public Works for so many millions of sucres for public improvements will change. The private sector will act directly. We must make full use of this law.

[Ramos] Will there be a "clean out" of officials in the Ministry of Finance?

[Robalino Gonzaga] No final decision has been made on this matter. We are going to see what we can do.

[Ramos] What do you think of the technique of encouraging resignations to reduce the size of the government's bureaucracy?

[Robalino Gonzaga] In Ecuador the government bureaucracy has become enormous, and this is not compatible with the size of the country. And all of that kind of activity will come to an end. It must come to an end.

Ana Lucia (Armijos) told me that at the end of 1981 the country's imports and imports amounted to \$5.0 billion (in current dollars). If you discount the world inflation which has taken place between 1981 and 1992, that means that Ecuadorian foreign trade has declined in real terms by comparison with 1981.

Nevertheless, during the same period the number of employees of the Banco Central and other state-owned institutions increased. That means that these additional employees are inefficient and unproductive, because they are consuming resources which come from the Ecuadorian people. This is not acceptable.

The state is not going to give away more resources. It is that simple.

[Ramos] What should be done with the customs service?

[Robalino Gonzaga] There is a proposal to regulate and eliminate unnecessary steps in the clearance of goods through customs. Previously, techniques were developed in Ecuador to prevent many things from happening.

This is an enormous tangle, which must be eliminated. I believe that the public is tired of all of this inefficiency and I believe that this proposal is a positive one.

[Ramos] What do you think of the draft bill on changes in the Tax Law?

[Robalino Gonzaga] We have begun to discuss tax reform.

[Ramos] Do you support broadening the tax base?

[Robalino Gonzaga] We have to broaden the tax base. However, it would also be a good idea to make many other changes so that the people will not feel discouraged from working. The state should not become a persecutor of the average Ecuadorian citizen. Therefore, we are going to improve the tax system.

[Ramos] And what will be done to deal with the high levels of tax evasion?

[Robalino Gonzaga] When tax rates are high, tax evasion takes place everywhere in the world.

I recall that when I was a student, I had a professor who had been the superintendent of customs in Chile. He told us that businessmen in the Chilean private sector crossed the Andes Mountains on muleback, despite all of the effort, which such action implied, to avoid local taxation, which was too large.

I believe that we must avoid excessive levels of taxation. History has lessons to teach us on this matter, and we must look for other alternatives in this field.

Paraguay

'Discrepancies' in External Debt Balance Viewed

PY0109155993 Asuncion ABC COLOR in Spanish
31 Aug 93 p 21

[Editorial Report] Asuncion ABC COLOR in Spanish on 31 August publishes on page 21 under the heading "Central Bank Disagrees with the Finance Ministry on Debt Balance" a 600-word unattributed article on Paraguay's external and domestic debt. The article notes that the National Comptroller General's Office submitted a document to Congress assessing a Finance Ministry report, which states that Paraguay's external debt on 31 December 1992 stood at \$732,470,628.82, according to the exchange rate at the end of the financial year—1,615 guaranias to the dollar.

According to the report, the external debt breaks down as follows: \$473,953,965.72 or 64.7 percent is owed to international organizations, \$227,746,126.95 or 31.1

percent is owed to the Paris Club, and \$30,770,536.15 or 4.2 percent is owed to private commercial banks. The article adds that overdue interest for that period was 32.787 billion guaranies.

Regarding the government's domestic debt, the article reports that, according to a National Comptroller General's Office document, it totaled 10.4173 billion guaranies owed to the Central Bank.

The article further states that in order to check whether the figures for the domestic debt in the financial statements were accurate, the National Comptroller General's Office asked the Central Bank to make its calculations. The Central Bank's new officials reported on 17 August that there are "significant discrepancies" between their reckoning and the figures released by the Finance Ministry on the government's domestic debt as well as the balance of the external debt.

Peru

Drug Experts Discuss U.S. Policy Under Clinton

PY0109155493 Lima EL COMERCIO in Spanish
20 Aug 93 p A9

[Text] The new U.S. policy on drug trafficking is different from those applied during the past two Republican administrations and it entails a considerable change in the treatment of this problem, Ricardo Soberon, from the Andean Committee of Jurists, said yesterday. For the first time, he said, the importance of developing alternative crops, which have received little support until now, has been recognized.

Drug expert Iban de Rementería said that although the importance of alternative development was acknowledged during the Cartagena meeting, it suffered a setback during the San Antonio, Texas, summit.

Soberon said that when the new Clinton administration strategy is announced on 6 September, U.S. drug policy will be defined. U.S. commitments in the Andean Region must be determined still. "They have spoken about support, willingness, and commitment to cooperate but in concrete terms, and I do not mean only in the economic field. There is nothing clear yet regarding the policies to stop the expansion of coca crops and block its transportation routes," he said.

He said the U.S. policy of prioritizing control and prevention of internal U.S. drug demand over aid to countries like Peru is an interesting policy. "If we compare this with the actions undertaken by the former administrations to obtain results in the Andean Region, we notice that now we are given more freedom to design our own strategies," Soberon said. "This means we must be aware of the fact that we will receive less resources from the United States," he said.

De Rementería on New Policy /

PY0109180593 Lima EL COMERCIO in Spanish
20 Aug 93 p A9

[Text] Yesterday, local observers agreed in pointing out that U.S. drug enforcement policy has changed considerably with the recognition that the problem resides in the growing U.S. demand for drugs.

Until now, the United States has always insisted on controlling drug trafficking in the places where the drug is produced, thus stressing its repressive measures in the international markets, in the eradication and replacement of crops, and in alternative development.

Drug expert Iban de Rementería told EL COMERCIO yesterday that in this way, after 85 years, the U.S. Government is recognizing that the problem is within its borders and that it must face its consumers, that is, the population at risk, through preventive actions.

"Lee Brown, director of the U.S. National Drug Control Office, also has recognized that his country has not made a serious interdiction effort, that is, to arrest the major drug importers and distributors within the United States. He said the current U.S. administration is interested in applying a new policy," de Rementería said, as he commented on the statements made by the U.S. official during the teleconference transmitted yesterday by the U.S. Information Service in the U.S. Embassy in Lima.

We can say that we have passed from the external to internal front regarding both the problem of prevention and persecution of important drug traffickers inside the United States. "It is not a matter of catching the small drug traffickers but the large ones, like the Suarez, Escobar, and Ochoa families, who control 80 percent of the business," he said.

In his opinion, under the new rules of the game, U.S. economic support for coca-producing countries like Peru will diminish considerably given the United States will no longer supply resources to a cause not considered central to the problem.

If in the past we received aid that we considered small, it was granted based on the prevailing policy of that moment, which defined that interdiction should be carried out beyond U.S. borders or on the borders themselves, and that the struggle should be carried out in the places where coca is cultivated, he said.

"Now we will remain with our problem and we must learn how to solve it. What is more, Mr. Brown was clear in pointing out during the USIS teleconference that each country must make an effort to solve its problems," de Rementería stated.

He said the reduction of aid to coca-producing countries has been estimated at 20 percent and, in the long run, the United States will only grant technical advice. The 1992

U.S. drug budget was \$11 billion and aid to countries in the region was less than \$200 or \$300 million.

De Rementeria said the change is positive given the solution to the drug problem will not "violate our reality, as has been happening until now." He mentioned the case of Colombia, where a policy with deadly consequences, which harmed a lot of property was applied.

"The attempt to apply a highly repressive policy to combat drug trafficking in Peru may lead to a situation like the one in Colombia; a country where two years ago it was thought that the best punishment for drug trafficking control was extradition. It was thought that the penal, police, judicial, and penitentiary systems were not appropriate for arresting drug-trafficking gang leaders. This policy was finally discarded in favor of negotiation," de Rementeria said. "That is why it is dangerous to implement life sentences in Peru because it can bring serious violent consequences," he said.

Daily Praises Policy 'Change'

PY02090013?93 Lima EL COMERCIO in Spanish
20 Aug 93 p A2

[Editorial: "Combating Drug Trafficking: A Positive Change in Focus"]

[Text] The Director of the U.S. Office of National Drug Control Policy has just announced a healthy change in U.S. Government policy in the struggle against drug trafficking.

According to the report Lee Brown, who recently visited our country, has voiced his satisfaction over the progress made in Bolivia, Colombia, and Peru in the struggle against drug trafficking, and has announced that the Clinton administration will change its approach and give greater priority to "alternative development" in the producer countries, and demand within the United States, as a way to achieve the common objective of defeating drug trafficking.

This news is important for Peru, because previous U.S. administrations have emphasized interdiction and the militarization of the joint struggle against drug trafficking, without providing the necessary funds for this means of struggle.

The announcement, however, does not mean that interdiction—the policing and repression of drug trafficking—will be dropped. It will become another tool, but not the main one—as has been the case so far—to attain the objective.

In Peru's case, this piece of news is highly positive, not only because in 1992 the U.S. State Department earmarked \$11 million for the joint struggle against drug trafficking, but because after the 5 April 1992 self-inflicted coup the U.S. Congress temporarily suspended the transference of this economic aid to Peru. We thus understand that this problem has been overcome.

The high-ranking U.S. official said that Peru has made obvious efforts to substitute coca plantations and encourage its peasants to engage in fishing. Nevertheless, it has suggested the need to strengthen the "alternative development" policy, as was proposed during the first antinarcotics summit held in Cartagena (Colombia) in 1990.

In this regard it should be noted that great progress has been made in our country. These achievements are, however, in the interdiction field in particular: the capture of aircraft and of drug traffickers. To this we must add the new law by which drug trafficking is punishable with life imprisonment.

Nevertheless, it should be recalled that during the last decade coca plantations—in which Peru is the number one producer in the world—have increased in geometrical proportion, with coca plantations currently covering 200,000 hectares. These areas are highly dangerous and, what is worse, drug traffickers in these areas have become allied with terrorists, in a malicious symbiotic relationship.

This is why the United States wants to become a partner of Peru—and with Bolivia and Colombia. In the bilateral agreement with Peru—signed on 14 May 1991 by representatives of the George Bush and Alberto Fujimori administrations—the United States promises to endorse the so-called "alternative development" project, but in practice this never happened.

It is therefore hoped that this new attitude in tackling the problem will be accompanied by a proportional increase in U.S. economic aid. Peru, as we have stated many times, needs to draft coherent programs to substitute for coca plantations. Moreover, the government must draw up a price policy which, in the first stage, might encourage the production of new goods.

This is therefore a propitious opportunity to advance in this unique and delicate struggle against a scourge that equally affects developed and underdeveloped countries, which are both beginning to shoulder their share of the responsibility.

CCD 'Broad Majority' Approves Referendum Law

PA0109133593 Lima Panamericana Television Network
in Spanish 1200 GMT 1 Sep 93

[Text] Last night, the Democratic Constituent Congress [CCD] approved the referendum law by a broad majority. The pro-government bloc radically changed its initial plan to ask people to vote on specific topics. The full CCD will summon the ministers to explain the guidelines the government will follow in the coming months.

The text, approved by the CCD after 2030, states: Let a referendum be held to learn the will of the Peruvian people regarding the new text of the constitution

approved by the CCD. The following question will be on the ballot: Do you approve of the new constitution drafted by the CCD?

There will be two slots with different colors to vote yes or no. The constitution will be ratified if the number of yes votes is greater than the no votes. The president will call the referendum within seven days after the law is published, so the referendum will be held between 26 October and 27 November of this year. The National Election Board [JNE] is authorized to issue the appropriate provisions to enforce the law, and to that effect, it will implement the guidelines employed to elect the CCD in all matters that are compatible with a referendum. The JNE may ask the CCD for any complementary provision necessary to hold the referendum. The current constitutional law will go into effect the day after it is published.

Venezuela

Velasquez Interviewed on Current Issues

PA0109182293 Caracas EL GLOBO in Spanish
26 Aug 93 p 2

[Report by Judith Martorelli]

[Text] [Martorelli] President Ramon J. Velasquez on 25 August told the Armed Forces personnel stationed in Bolivar State that the country is experiencing difficult times but he trusts that the leadership of various sectors and the Armed Forces will guarantee the foundations of the country's institutions.

The president travelled to Ciudad Bolivar to attend the 20th anniversary of the Jesus Soto Museum, indicating that the work of the artist carries a "universal message."

The president held a news conference in that warm region of the country.

How should we interpret your silence about the various events in the country? (That includes terrorism and the possibility that elections will be held earlier than scheduled.)

[Velasquez] Each person has his own style. The government's actions are conducted through the various ministries. I have created sectorial groups in the Council of Ministers. One of them is the Security Council. We constantly review the situation. The actions of the various institutions is active and effective. We were able to determine the origins of the letter bombs, and the other two terrorist acts in Caracas are being investigated. I will speak to the country about the nation's political, economic, and fiscal situation. I reiterate that I prefer to show coordinated action by a team rather than to make promises.

[Martorelli] The president denied that Venezuela needs foreign technical assistance in investigating the terrorist attacks because there are professional Venezuelan

policemen who have been trained in other countries. He said the investigations by Venezuelans are worthy of the government's trust.

[Velasquez] I do not see the need for special assistance because the country's police organizations can control the terrorist actions, which have been condemned by the country and which threaten the national stability.

[Martorelli] What do you think of the remarks by former President Lusinchi?

[Velasquez] Each person has his own style.

[Martorelli] As commander in chief of the Armed Forces, the president said that in his latest conversation with his friend, Governor Andres Velasquez, he reiterated he was waiting for the report requested from the joint chiefs of staff about the possibility of discharging Lieutenant Colonel Francisco Javier Arias Cardenas [leader of foiled February 1992 coup].

What do you think about the defense minister's statement that the high command would be ignored if Arias Cardenas were discharged.

[Velasquez] I do not elude my responsibilities. I always follow procedures. In the case of a military defendant who is an officer requesting a discharge, he does so before the chairman of the joint chiefs of staff. The chairman has to issue a report that will be sent to the minister and then to me.

[Martorelli] What do you think of the remarks by [Radical Cause Party leader] Pablo Medina, who said a conspiracy is being hatched among the generals?

[Velasquez] He has been asked to provide details of this situation. I hope that Pablo, within the process of defending democracy, will provide precise details about what he has said in general.

The Privatization of Alcasa [Caroni Aluminum, Inc.]

[Martorelli] President Velasquez responded to questions from Ciudad Bolivar reporters about the recent Miraflores Palace announcement that some production areas of Alcasa will be opened to private capital. Alcasa is one of the enterprises of the Venezuelan Corporation of Guayana [CVG].

[Velasquez] Alcasa cannot be left adrift. For this and future administrations, the CVG is of utmost importance because its industrial complex is great proof of development in the 20th century. Alcasa will not be abandoned. Do not forget that it began with the CVG and the Reynolds Company. International capital has been allowed in that enterprise from the beginning.

[Martorelli] The president said aluminum prices have fallen, but a recovery is expected in 1995.

What is the Mines Ministry's position on the paralysis caused by regulating the use of hydraulic monitors in the mining sector?

Mines Minister Alirio Parra replied:

[Parra] The resolution that permits the use of hydraulic monitors has been published. Their use had been limited due to environmental restrictions. This affected the small mining sector, which represents 80 percent of this state's mining production and employs 50,000 workers. These monitors can be used for one more year under the direct supervision of the CVG and the MEM [Energy and Mines Ministry.]

The President and the Elections

[Martorelli] Ramon J. Velasquez issued a call to Venezuelans to register at the Supreme Electoral Council and participate in the December elections.

[Velasquez] Elections are the means to replace governments and to create new political perspectives. The last gubernatorial election is proof of that. I think the democratic process is going to continue, and for all these reasons the Venezuelans should participate in the elections.

Velasquez, Lepage on Congress' Perez Decision

PA0209011093 Caracas Venezolana de Television
Network in Spanish 2350 GMT 1 Sep 93

[Report by Cecilia Pachano on "The News" newscast]

[Text] President Ramon Jose Velasquez has stated that the decision adopted yesterday by Congress shows the Venezuelan institutional process continues in an exemplary manner. The statements made by the president of the Republic occurred after he was officially notified about the decision adopted by the two Congress chambers' directorate boards. The two boards went to Miraflores Palace for that purpose.

The head of state stood outside Miraflores Palace and said all opinions are allowed and respected in this process; adding that the Congress' decisions are the result of the exercise of authentically democratic rights.

[Begin Velasquez recording] The whole process has been carried out in political peace, with a clear understanding among the factors involved, and with the participation of all the political groups and organizations that make up parliamentary and political life in general. The way in which the electoral campaign has been carried out represents the best reply to those who doubt about the future or destiny of Venezuelan democracy. [end recording]

Moreover, Congress President Octavio Lepage said the parliament's decision represents an institutional confirmation of our democracy.

[Begin Lepage recording] This undoubtedly establishes a precedent from the viewpoint of our democratic institutions' development; and this will have repercussions and influence future political processes. [end recording]

Congress President Lepage also said the Congress had unanimously ratified its political support for President Ramon Jose Velasquez. (endall) 012350 mgv/fliss/ejl sfve0109.09e 02/0109z sep

Deputies React to Decision

PA0209004793 Caracas Venezolana de Television
Network in Spanish 1550 GMT 1 Sep 93

[From "The News" newscast]

[Text] "The News" was also at the Congress to learn reactions to this decision [ousting of President Carlos Andres Perez].

[Begin recording] [Congress Vice President Ibrahim Sanchez] The majority decision is very clear; there was not even a need to recheck the vote count. I would say that all the political forces, excepting Democratic Action [AD], voted for Osvaldo Alvarez Paz' proposal to declare the permanent absence of citizen Carlos Andres Perez and ratify Ramon J. Velasquez as constitutional president of the Republic until the end of the term. This is the decision the Venezuelan people expected because we need tranquillity and the country needed this problem resolved and defined. The decision the National Congress has reached includes all the suppositions contained in the Constitution.

[Deputy Abdon Vivas; Bureau records indicate Vivas was stricken from Social Christian Party, Copei, lists on 8 June 1993] Congress, in a very short session—less than three hours long—has decided to end the twin leadership that has existed in the Venezuelan presidency up to today: an acting president and another who retained the title as president. Congress decided to declare the permanent absence of President Carlos Andres Perez, consequently he clearly and absolutely becomes a former president. Added to this he is being tried by the Supreme Court of Justice on crimes such as embezzlement and misappropriation.

[Osvaldo Alvarez Paz, Copei presidential candidate] The decision follows the wish of the majority as expressed throughout the debate. This also closely matches the wish of the population. Today, this decision strengthens the people's credibility in the system and reminds all that have been president or who hope to be president that power has to be exercised following the law and that the law must always be compatible with justice.

[Senator Lolita Aniyar] Congress reached a decision based on a fact, a fact that has to do with the wish of the Venezuelan people, which has to do with the country's fiscal crisis, with a deteriorated image of symbols of power, and doubtless also has to do with the state of terrorism we are experiencing in Venezuela. I hope that this measure will serve to turn around all these regrettable events and that the December elections will open the doors to better times.

[AD President Pedro Paris Montesinos] Our attitude rigorously followed the Constitution and a rigorous interpretation of the general principles of law and international legal doctrine.

[Unidentified reporter] Will this decision be appealed before the Supreme Court of Justice?

[Paris] No, we do not intend to make any sort of appeal to the Supreme Court of Justice on this decision. It has been said that President Perez, making use of his rights, may appeal before this organization to work out the points he considers do not favor him. But AD does not intend to appeal. [end recording]

Ochoa Warns of U.S. Blockade in Event of Coup

PA0109143893 Caracas EL NACIONAL in Spanish
31 Aug 93 p A-2

[Report by Alberto Rojas Morales]

[Text] Bogota—According to Venezuelan Foreign Minister Fernando Ochoa Antich, there will be presidential elections in his country this December. Ochoa cautioned anyone thinking about a coup d'etat that the United States would probably impose an economic blockade on Venezuela if a coup indeed occurred.

Foreign Minister Ochoa recalled that it was thanks to his experience and his negotiating ability that effects of previous military rebellions were kept to a minimum. He said that the United States, Venezuela's largest oil customer, supports democracy in Latin America. If there is a coup in his country, an economic blockade could be imposed against it.

When asked about suspended President Carlos Andres Perez, Ochoa explained that Perez has been accused of misappropriation of funds but that the final verdict has not been passed. Some members of the Colombian media wanted to know how he thought the trial would go. He said he does not feel qualified to guess about the verdict on a chief of state who has twice governed his nation.

Ochoa Antich, who according to a television newscast arrived "speaking firmly," held talks yesterday with Colombian and directors of the international media, to explain among other things that the foiled military coups had their origin in the country's economic situation, which has affected the middle class, to which most members of the Armed Forces belong.

Ochoa Antich had high praise for current President Ramon J. Velasquez and said he was an unblemished politician whom the Venezuelan people respect.

Part of the talks was spent discussing marine and submarine boundaries, especially when Ochoa Antich said that the solution had to be political and legal because for Venezuela this is a "very sensitive" point. Nevertheless, he favors not hurrying negotiations because the formula will be found in due course. He also expressed his "confidence and faith" that the commissions making the studies "will find very interesting alternatives."

He warned, however, that as Colombia and Venezuela are countries with a very active border there will always be problems to be solved.

His outlook for the future are two countries that in the short term "will become a gold mine" with high income for their inhabitants and higher socioeconomic levels, which will make them attractive to people in other countries.

But speaking of the current situation, he said that it is essential that four other problems be solved, which according to him could hamper binational integration efforts.

The kidnapping of Venezuelan cattle ranchers by guerrillas who then bring them to Colombia is a priority problem for Ochoa Antich.

The theft of Venezuelan cars that are then resold in Colombia is hurting good relations, notwithstanding the fact that corrupt forces on both sides of the border take part.

The border city of Maicao is the third problem in the relationship because it is a "free port" where merchandise of various origins enters and dollars, supposedly from drug trafficking, enters to be laundered in Venezuela.

The fourth and oldest problem is illegal immigration that continues at the same level as previous years. Ochoa Antich said nevertheless that some members of the military have been severely punished for their involvement in the torture of Colombian peasants in Venezuela illegally.

He also announced that the treaty for prisoner exchange between the countries continues to be studied. Even though negotiations started a year ago there is still no agreement. In Venezuela there are 2,500 Colombians in jail; there are 12 Venezuelans in Colombian jails.

He reiterated that permission will not be granted for a Colombian Chamber of Deputies commission to visit Venezuelan jails for an inspection of conditions in which fellow Colombians are being held. Ochoa Antich said that this work should be left to the consuls under the terms of the Vienna agreements. This is no doubt why the Colombian Foreign Ministry has not addressed the congressmen's petition.

Ochoa Antich met yesterday with Foreign Minister Noemi Sanin de Rubio and was also received by President Cesar Gaviria Trujillo, who hosted a dinner in his honor.

Today he will sign a joint declaration, will hold a news conference, and will conclude his two-day visit, departing for the United States.

Commander Says Army Will Abide by Congress' Decisions

PA0109224293 Caracas Radio Caracas Radio Network in Spanish 0200 GMT 1 Sep 93

[From "The Observer" newscast]

[Text] Division General Jorge Isaac Tagliaferro de Lima, commander of the Army, has said that the military force under his command will abide by any decision adopted by Congress.

[Begin Tagliaferro recording] The Army has obeyed and will always strictly obey the constitutional mandate. Constitutional decisions, decisions that are adopted by the Republic's primary institutions, will receive the Army's support, as a member of the Armed Forces. That is normal within a state of law, and that is how it will be. [end recording]

Suriname

Government Reported To Ration Gasoline

BR0109121993 Amsterdam DE VOLKSKRANT in Dutch 31 Aug 93 p 3

[Unattributed article: "Surinamese Government Rationing Gasoline"]

[Text] Gasoline is being rationed in Suriname. Every motorist is allowed to purchase 80 liters a month at a price that remains to be fixed. He is supposed to buy the gasoline at a gas station to be specified in advance. For any additional consumption, he will have to pay the free market's exchange rate.

The government is rationing fuel because it can no longer afford to pay the bills of the oil companies Esso, Shell, and Texaco. In order for the government to fulfill the regular needs, it must pay \$4 billion every month. This is more than half of its present revenues.

According to the oil companies, supplies to the gas stations have been reduced to 70 percent. This reduction, as well as the expected increase in fuel prices, have led to chaotic situations at the gas stations.

At present, the 42,000 car owners are paying six guilders a liter. The government's one-guilder-per-liter subsidy does not apply to the rationing.

Present fuel prices are based on a rate of 20 guilders for one U.S. dollar. At present, the dollar's rate is at 80 guilders.